



ASR MEDIA AND SPONSORSHIP

ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2020

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CONTENT AND FORM

This Annual Financial Report for the year ended 30 June 2020 (hereinafter also referred to as the “Annual Report” or “Report”), relates to the operating performance of ASR Media and Sponsorship S.p.A. (hereinafter, also the “Company” or “MediaCo”), referring to the financial year 2019-2020 (hereinafter, the “Financial Year” or “Period”), closed on 30 June 2020.

The Company, in application of IAS/IFRS Standards, is considered a special purpose Company and, therefore, is consolidated in the AS Roma Group, including A.S. Roma S.p.A. (“Parent Company” or “AS Roma”), Soccer Società in Accomandita Semplice di Brand Management Srl (hereinafter “Soccer SAS”), Roma Studio and MediaCo. As a result of these considerations, the Company prepares its annual financial statements on the basis of international accounting standards, in line with what the Parent Company AS Roma has done.

In compliance with the reference regulations, the Company adopts the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (hereinafter “IASB”), approved by the European Commission in accordance with the procedure set out in Article 6 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, in force as at 30 June 2020. More specifically, the valuation criteria and accounting standards used are in line with those adopted for the Annual Financial Report at 30 June 2019, to which reference is made, with the exception of the changes introduced by the application, with effect from 1 July 2019, of a new international accounting standard IFRS 16 relating to the treatment of “Leases”, the impacts of which are described in detail in the Explanatory Notes.

The amounts and comments contained in the tables included in the Report on operations and in the Notes are expressed in thousands of Euro, unless otherwise indicated. Amounts included in the Financial Statements are shown in Euro. The rounding up or down of amounts to the next Euro can give rise, in statements containing accounting data, to items that add up to an amount that is different from the one shown in the line recording the total of same.

Finally, it should be noted that the Report on operations and the Notes to the Financial Statements contain forward-looking statements relating to the economic and financial performance for the year 2020/2021, based on estimates and forecast data which, by their very nature, present varying degrees of uncertainty as to whether they will actually come true, since the forecasted events from which they originate may not occur or may occur to a different extent from that forecasted, while events that cannot be foreseen at the time of their preparation may occur, thus generating even significant deviations between actual and forecasted values.

GENERAL INFORMATION

CONSTITUTION OF THE COMPANY

ASR Media and Sponsorship S.p.A. was established on 2 December 2014 in the context of the process of refinancing and reorganisation of activities related to the exploitation and management of the AS Roma brands and the management of the “media” activities, which were separated from the management of the core business of AS Roma, i.e., the organisation and carrying out of football matches. More specifically, ASR Media and Sponsorship has been assigned all the activities related to licensing and sponsorship, as well as those known as “direct media rights”, whose activities are currently linked to the TV channel “Roma TV” and the radio channel “Roma Radio”, as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, Instagram, Pinterest, Weibo, WeChat).

In fact, on 11 February 2015, the shareholder AS Roma S.p.A. transferred the “TeamCo Going Concern” Business Unit, relating to the management and commercial exploitation of “direct media rights”,

consisting of media rights relating to the production and broadcasting, via TV, radio or other media, of content (audio-visual and photographic material) relating to national and international matches, and in general to the activities, of the AS Roma football team, other than the contracts relating to the indirect “media” rights, centrally managed by the Lega Nazionale Professionisti Serie A and UEFA. More specifically, the business unit transferred by AS Roma to the Company consists of the following assets and legal relationships:

- ownership of the Library (or “historical showcase”) consisting of all audio-visual material relating to the activities of the Company, other than that which is the subject of the so-called “indirect media rights” managed by LNP and UEFA;
- brand ownership (Club Home, Club Privilege and Club Away) associated with fan loyalty activities;
- media license agreements with related receivables and deferred income;
- contract entered into with Broadcast Solutions S.r.l. for the supply of technical and editorial services relating to the production of the Roma thematic channel (Roma TV) and the Radio channel (Roma Radio);
- contracts for the supply of goods and services, and related payables and prepaid expenses;
- contractual relations with employees employed to carry out the activities related to the business of the business unit being transferred;
- tangible assets used to carry out the activities related to the business unit being transferred;
- registration of AS Roma in the Register of Communications Operators (ROC);
- all other assets and liabilities relating to the business unit being transferred.

On the same date, the shareholder Soccer transferred to the Company the “Soccer Going Concern” Business Unit, relating to the management and commercial exploitation of the AS Roma brands. The scope of the transferred assets and liabilities is defined by all existing legal relationships for sponsorship, advertising and merchandising, with the only exceptions being the merchandising business relating to the retail management of Roma Store (including the management of online sales through the website www.asromastore.it), and the portion of advertising and sponsorship contracts involving the sale of match tickets, which are not included in the scope of the transfer. More specifically, the business unit transferred by Soccer consists of:

- ownership of “AS Roma” trademarks, which Soccer was found to own, with regard to rights of commercial exploitation;
- marketing, licensing and sponsorship contracts and related receivables and deferred income;
- contracts for the supply of goods and services, and related payables and prepaid expenses;
- contractual relations with employees in relation to the assets transferred, and related payables;
- all other assets and liabilities pertaining to the Business Unit.

On 11 February 2015, the Company, as the grantor, and Soccer, as the tenant, also signed a business lease agreement for the lease of the assets transferred to the Company by way of contribution.

SUBSCRIPTION OF A FINANCING AGREEMENT EQUAL TO EURO 175 MILLION

On 12 February 2015, as part of the refinancing of the existing debt of AS Roma S.p.A. and the financing of its net working capital, a facility agreement was signed, with variable rate and maturity in February 2020, for an amount of EUR 175 million - between, inter alia, (i) Goldman Sachs International and Unicredit S.p.A., as Mandated Lead Arranger and Bookrunner, (ii) ASR Media and Sponsorship S.r.l., as borrower, (iii)

AS Roma S.p.A., for the assumption of commitments and obligations and to acknowledge the provisions of the agreement, (iv) Soccer S.a.s. of Brand Management S.r.l., for the assumption of commitments and obligations and to acknowledge the provisions of the agreement, (v) UniCredit Bank AG - Milan Branch as "Agent and Security Agent" (hereinafter, the "Facility Agreement").

On 22 June 2017, an amendment agreement was signed, governed by English law, between, inter alia, (i) Unicredit S.p.A., as additional lending bank; (ii) UniCredit Bank AG - Milan Branch, as Agent and Security Agent; and (iii) ASR Media and Sponsorship S.r.l. ("MediaCo"), as beneficiary (hereinafter, the "Amendment Agreement"), aimed at amending certain provisions of the Facility Agreement signed on 10 February 2015 for an amount equal to EUR 175 million, as amended by the agreement signed on 24 June 2015. In this regard, it should be noted that Unicredit S.p.A. carried out fronting activities and was not the ultimate creditor of the Facility Agreement, as amended by the Amendment Agreement. In accordance with the Amendment Agreement, the maturity date of the Facility Agreement was extended to the fifth anniversary from its effective date, i.e., to June 2022 ("Amendment Date"), and the repayment of the amounts originally provided under the Facility Agreement began from the first anniversary of the Amendment Date, i.e., 30 June 2018. In addition, under the Amendment Agreement, the credit line granted under the Facility Agreement was increased from EUR 175 million to EUR 230 million and the interest rate provided for therein has remained unchanged. The Company used part of the financial resources deriving from the increase in the credit line for the balance of payables to AS Roma and granted another part of these incremental financial resources to AS Roma, which used them for its own management needs. This arrangement was governed by signing specific intercompany financing agreements with the companies concerned, under normal market conditions. The issuance costs and the costs of legal and financial advisors comply with market standards for similar transactions.

The loan was fully repaid on 8 August 2019, simultaneously with the issue of a bond loan, as described below.

BOND ISSUE OF EUR 275 MILLION AND REPAYMENT OF EXISTING DEBT

On 8 August 2019, as part of a refinancing operation on the Group's debt, MediaCo issued a non-convertible Bond for a total value of EUR 275 million, reserved for qualified investors and admitted to trading on the Vienna MTF and the Euro MTF of the Luxembourg Stock Exchange, with maturity on 1 August 2024.

The interest rate on the Bond is fixed and equal to 5.125 %, while the interest accrued from time to time, starting from the issue date, must be paid semi-annually in arrears on 30 June and 31 December of each year. The bonds are subject to partial redemptions at par, on a pro rata basis, on a semi-annual basis on 30 June and 31 December of each year, starting on 31 December 2020 and up to 30 June 2024, at a redemption price equal to 100% of the amount subscribed, in addition to accrued and unpaid interest and any other additional amounts.

The net proceeds from the issue of the Bonds, following the payment of the commissions and expenses arising from the transaction, were used to refinance the existing debt of MediaCo, optimising its structure and maturity, and to provide the Company with financial resources for its business. At the same time as the bond issue, certain contractual agreements were signed and certain operations were carried out, functional to the issue of the bond itself, between the companies belonging to the AS Roma Group, as illustrated in the following chapter "Bond issue of EUR 275 million and repayment of existing debt".

GRANT OF CERTAIN WAIVERS AND SOME MODIFICATIONS TO BE MADE TO THE INDENTURE SIGNED ON 8 AUGUST 2019 BY ASR MEDIA AND SPONSORSHIP S.P.A.

As a result of the change of control connected with the completion of the acquisition by Mr Thomas Dan Friedkin, through Romulus and Remus Investments LLC, a company controlled by the same, of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), completed on 17 August 2020 and, consequently,

the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment on 24 September 2020, and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, AS Roma's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of the Company, the transaction was classified by AS Roma as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

CORPORATE BODIES

At the date of this Report, the Corporate Bodies of MediaCo are composed as follows:

Board of Directors	Director (executive) Director	Guido Fienga Giuseppe Santarelli
Board of Statutory Auditors	Chairman Standing Statutory Auditors Alternate Statutory Auditors	Claudia Cattani Massimo Gambini Pietro Mastrapasqua Riccardo Gabrielli Manuela Patrizi
Auditing Firm		Deloitte & Touche S.p.A.

According to the Articles of Association, the Company must be managed by a single director or a board of directors composed of three to seven members, appointed by the ordinary shareholders' meeting of the Company. One of the directors must be an independent director (i.e., not having had any relationship with the Company or the Group in the five years preceding the appointment). The Board of Directors remains in office for a three-year period expiring on the date of the ordinary shareholders' meeting called to approve the financial statements for the last financial year of its term of office. The term of office of the current members of the Board of Directors will expire with the approval of the Company's financial statements for the current financial year ended 30 June 2020.

In addition, it should be noted that executive director Dr. Guido Fienga was appointed by the Shareholders' Meeting on 25 October 2018 and by the Board of Directors on 30 October 2018. In addition, it should be noted also that on 28 September 2020 the Chairman Mauro Baldissoni resigned as Chairman of the Board of Directors.

The members of the Board of Statutory Auditors are appointed by the Company's shareholders at ordinary shareholders' meetings for a period of three years expiring on the date of the ordinary shareholders' meeting called to approve the financial statements for the last financial year of their office. At least one of the statutory auditors and one of the alternate statutory auditors must be chosen from among the statutory auditors registered in the special register of reference in Italy. The members of the Board of Statutory Auditors may be dismissed only for cause and the relevant resolution is approved by



an Italian court. The term of office of the current members of the Board of Statutory Auditors was conferred by the Shareholders' Meeting of 25 October 2017 and will expire with the approval of the Company's financial statements for the current financial year ended 30 June 2020.

The Shareholders' Meeting of 25 October 2018 appointed Deloitte & Touche SpA as Statutory Auditor for the financial years 2019 to 2021. Deloitte & Touche SpA is registered under number 132587 in the Register of Auditors kept by the Italian Ministry of Economy and Finance.



REPORT ON OPERATIONS

SIGNIFICANT EVENTS THAT HAVE OCCURRED IN THE FINANCIAL YEAR

BOND ISSUANCE OF EUR 275 MILLION AND REPAYMENT OF EXISTING DEBT

On 8 August 2019, as part of a debt refinancing operation, the Company, which was transformed into a joint-stock company under Italian law [società per azioni] on 11 July 2019, issued a non-convertible Bond for a total value of EUR 275 million, reserved for qualified investors and admitted to trading on the Vienna MTF and the Euro MTF of the Luxembourg Stock Exchange, with maturity in 2024. The bonds were issued with minimum denominations of EUR 100,000.00 (one hundred thousand/00) and full multiples of EUR 1,000.00 (one thousand/00) in excess. The net proceeds from the issuance of the Bond, following the payment of the fees and expenses arising from the transaction, were used primarily for the purpose of early repayment and full payment of all amounts due under the Facility Agreement described above and the related contractual documentation, in order to refinance the Company's existing debt, also optimising its structure and maturity, and to provide the Group with financial resources for its activities.

As a result of this repayment, the guarantee rights established under the Facility Agreement (as confirmed and/or extended from time to time) and the related contractual documentation have been cancelled and released.

The interest rate on the Bond is fixed and equal to 5.125 %, while the interest accrued from time to time, starting from the issuance date, must be paid semi-annually in arrears on 30 June and 31 December of each year starting from 31 December 2019.

The bonds will be subject to partial redemptions at par, on a pro rata basis, on a semi-annual basis on 30 June and 31 December of each year, starting on 31 December 2020 and up to 30 June 2024 (final maturity date of the Bond), at a redemption price equal to 100% of the amount subscribed, in addition to accrued and unpaid interest and any other additional amounts.

The Transaction was assessed by the rating agency Standard & Poor's, which gave the issuance a credit rating of BB-, with a Stable Outlook, then reduced, as part of the analyses carried out to take into account the effects of the spread of the Covid-19 virus on the AS Roma Group and the football sector in general, on 16 April 2020, to B+, placing it on CreditWatch with negative implications, and on 13 July 2020, to B, with a negative Outlook, removing it from CreditWatch.

It should be noted that the economic expediency of the Bond was assessed by Prof. Riccardo Tiscini who, through an opinion prepared on 24 July 2019, on the basis of a comparative analysis of the economic conditions applied to the Bond compared to those of the Facility Agreement, found that the economic conditions of the Bond were more advantageous than those of the Facility Agreement.

In particular, as part of the issue of the Bond certain contractual agreements were signed and certain transactions, functional to the issuance of the Bond, were carried out between the companies belonging to the AS Roma Group, as illustrated below:

- (i) "Indenture." governed by the law of the State of New York entered into, among others, with MediaCo and Soccer as well as with the Trustee (bondholders' representative) and the Security Agent, aimed at regulating in detail, *inter alia*, the main features of the Bond (*i.e.*, maturity date, interest calculation, early prepayment requests, etc.) as well as any obligations of the Trustee and Soccer, as guarantor;
- (ii) "Purchase Agreement": governed by the law of the State of New York entered into, *inter alios*, with MediaCo, Soccer and the qualified investors identified therein, who have made themselves initial purchasers of the Bond (and who may subsequently resell it to third parties), aimed at regulating the terms and conditions relating to the sale of the Bond by MediaCo to the qualified investors identified therein;



- (iii) “Account Bank Agreement”: governed by Italian law and aimed at regulating, among other things, certain aspects concerning the movement of certain current accounts that will be opened in the name of AS Roma S.p.A. (with respect to the current account through which the UEFA cashflows will pass) and MediaCo, entered into, among others, with MediaCo and the Account Bank;
- (iv) “Intercreditor Agreement” governed by English law, designed, among other things, to contractually regulate the distribution of proceeds among the secured creditors in the event of enforcement of the collateral created in the context of the Transaction and the subordination and deferment of the claims that the lenders may have vis-à-vis MediaCo and/or AS Roma S.p.A or other companies of the group that will become parties to the Intercreditor Agreement as *Debtors* with respect to receivables arising from the Bond and any other credit category regulated therein, entered into, among others, with AS Roma S.p.A, MediaCo, Soccer, the Security Agent and the Trustee;
- (v) “Deed of pledge on the shares of MediaCo”, concerning the entire share capital of MediaCo, entered into, among others, by Soccer and AS Roma S.p.A., as pledgors, the Security Agent and the Trustee;
- (vi) “Deed of pledge on the stake in Soccer” concerning the entire share capital of Soccer, entered into, among others, by Brand Management, ASR Soccer LP S.r.l. and AS Roma S.p.A., as pledgors, the Security Agent and the Trustee;
- (vii) “Deed of pledge on the Company’s current accounts” concerning all the Company’s current accounts, the effectiveness of which is conditional on the occurrence of events of default such as to make it enforceable, based on the amount available and in existence at the date on which such pledge is enforced and up to the amount of the residual debt, entered into, among others, by the Company, as pledgor, the Security Agent, the Trustee and the Account Bank;
- (viii) “Deed of pledge on the current accounts of Soccer Sas” concerning all the current accounts of Soccer Sas, the effectiveness of which is conditional on the occurrence of events of default such as to make it enforceable, based on the amount available and in existence at the date on which such pledge is enforced and up to the amount of the residual debt, entered into, among others, by Soccer Sas, as pledgor, the Security Agent, the Trustee and the Account Bank;
- (ix) “Deed of pledge on the UEFA current account” concerning the current account of AS Roma S.p.A where UEFA cashflows are received by AS Roma S.p.A itself, the effectiveness of which is conditional on the occurrence of events of default such as to make enforceable, based on the amount available and in existence on the date on which such pledge is enforced and up to the amount of the residual debt, entered into, among others, by AS Roma S.p.A., as pledgor, the Security Agent, the Trustee and the Account Bank;
- (x) “Deed of pledge on intellectual property rights” relating to the initial and future intellectual property of the AS Roma trademark and its derivations, entered into, among others, by Company, as pledgor, the Security Agent and the Trustee;
- (xi) “Deed of assignment of infra-group receivables as collateral” concerning the assignment as collateral, by each company in the group that is a party to the said contract, of its receivables from one or more other companies in the group that are parties to the said contract, entered into, among others, by MediaCo, Soccer, AS Roma S.p.A., the Security Agent and the Trustee;
- (xii) “Agreement with Nike for the assignment of receivables as collateral” concerning Nike’s consent to the assignment, first as infra-group assignment by AS Roma S.p.A to MediaCo, and then as collateral by Soccer and MediaCo in favour of the qualified investors identified therein, of the receivables claimed by each of these companies (as regards MediaCo, as infra-group transferee) from Nike in accordance with the sponsorship agreement in place, entered into, among others, by MediaCo, AS Roma S.p.A., Soccer, the Trustee and the Security Agent;
- (xiii) “Global Deed of Release”, a document governed by Italian law, through which UniCredit Bank AG Milan Branch (the “Existing Security Agent”), as security agent of the Facility Agreement signed on



11 February 2015 (as subsequently amended and supplemented), undertook to lend on behalf of its lenders, the outcome of the full repayment of all amounts due to the above-mentioned lenders under the Facility Agreement as well as the delivery of a series of documents demonstrating the *in bonis* status of MediaCo, the irrevocable consent to the cancellation of all guarantees currently in place and at the service of the Facility Agreement itself (including those originally granted by AS Roma S.p.A.), entered into, among others, by the Existing Security Agent, the Company, MediaCo and Soccer;

- (xiv) *"Deed of Release"* relating to the pledge of the Soccer shares, a document governed by Italian law, through which the Existing Security Agent, in its capacity as security agent under the MediaCo Facility Agreement, will grant on behalf of its lenders, following the full repayment of all amounts due to the said lenders under the MediaCo Loan and the delivery of a series of documents proving the *in bonis* status of MediaCo itself, the irrevocable consent to the cancellation of the pledge currently encumbering the Soccer shares, entered into between, among others, the Existing Security Agent and, where required, AS Roma S.p.A.;
- (xv) *"Process Agent Letter (NY Law)"* letter of appointment under New York law from, among others, AS Roma S.p.A., to the "process agent" for the purposes of managing any procedural documentation in accordance with the Purchase Agreement and the Indenture;
- (xvi) *"Process Agent Letter (UK Law)"* letter of appointment under English law from, among others, AS Roma S.p.A., to the "process agent" for the purposes of managing any procedural documentation in accordance with the Intercreditor Agreement;
- (xvii) *"Amendment Agreement to the original Receivables Assignment Agreement"*: agreement amending the agreement for the assignment of receivables, entered into on 12 February 2015, between AS Roma S.p.A and MediaCo, in order to adjust the terms and conditions of the agreement in accordance with the Indenture and the financial documentation;
- (xviii) *"New Receivables Assignment Agreement"*: new agreement for the assignment of receivables, through which receivables will be assigned by AS Roma S.p.A to MediaCo from existing and future sponsorship and indirect media agreements. MediaCo and Soccer, for the sole purpose of the assignment of receivables relating to indirect media, will pay a deferred payment (without recourse) according to the terms and conditions that will be provided in the Indenture and in the financial documentation;
- (xix) *"Amended License Agreement"*: agreement amending the license agreement, entered into on 6 February 2015 and subsequently amended on 22 June 2017, signed between AS Roma S.p.A and Soccer. Under the 2015 agreement, a non-exclusive licence was granted to AS Roma S.p.A to use and exploit the "A.S. Roma" trademark and its derivations necessary for the performance of the core business of AS Roma S.p.A.. The main amendment to this agreement is the extension of the duration: the expiry date of the agreement should be set to the end of the 30th football season from the issuance of the Bond;
- (xx) *"Amended Services Agreement"*: AS Roma S.p.A., MediaCo and Soccer signed an amendment agreement to the service agreement, executed between the parties on 6 February 2015 and subsequently amended on 22 June 2017. In accordance with the above agreement, AS Roma S.p.A provides certain services (including accounting and administrative services) to MediaCo and Soccer. Through this agreement, the duration of the licence agreement and the playing and staging agreement has been extended;
- (xxi) *"Amended Playing and Staging Agreement."* AS Roma S.p.A has signed an agreement with MediaCo, Soccer and the New Security Agent amending the playing and staging agreement, entered into on 6 February 2015 and then amended on 22 June 2017, which provides, among other things, for certain commitments and obligations of AS Roma S.p.A in relation to the participation of the A.S. Roma team in the main Italian and European tournaments. Also, for this agreement, the main change made is the extension of the duration;

- (xxii) "Assignment of the Playing and Staging Agreement": AS Roma S.p.A., MediaCo, Soccer, the Existing Security Agent and the New Security Agent have signed an agreement to transfer the agreement from the Existing Security Agent to the New Security Agent;
- (xxiii) "Amendment Agreement MediaCo/TeamCo IC Loan": this document is functional to the amendment of the intra-group facility agreement originally signed on 22 June 2017 between MediaCo, as the lender, and AS Roma S.p.A. as the borrower, in accordance with which MediaCo agreed, among other things, to sub-grant to the Company a portion of the proceeds of the MediaCo Loan (equal to EUR 20,412,190.84) and through which, on the occasion of the bond issue, among other things: (i) a portion of the proceeds from this bond issue was sub-granted to AS Roma S.p.A.; and (ii) the maturity date of this intra-group loan was changed to coincide with the date falling one year after the maturity date of the bonds;
- (xxiv) "Amendment Agreement Soccer/TeamCo I IC Loan": this document is functional to the amendment of the first intra-group facility agreement originally signed on 13 November 2014 between Soccer, as the lender, and AS Roma S.p.A. as the borrower, in accordance with which Soccer agreed, among other things, to grant AS Roma S.p.A. an intra-group loan (for an amount of EUR 37 million) to be allocated to the equity of AS Roma S.p.A., and by means of which, among other things, the maturity date of this intra-group loan was changed to coincide with the date falling one year after the maturity date of the bonds;
- (xxv) "Amendment Agreement Soccer/TeamCo II IC Loan": this document is functional to the amendment of the second intra-group facility agreement originally signed on 11 February 2015 between Soccer, as the lender, and AS Roma S.p.A., as the borrower, in accordance with which Soccer agreed, among other things, to sub-grant to AS Roma S.p.A. an intra-group loan divided into two credit lines of EUR 72,652,267.13 and EUR 77,637,241.92, respectively, and by which, at the time of the bond issue, among other things, the maturity date of this intra-group loan was changed to coincide with the date falling one year after the maturity date of the bonds;
- (xxvi) "Amendment Agreement MediaCo/Soccer IC Loan": this document is functional to the amendment of the intra-group facility agreement originally signed on 11 February 2015 between MediaCo, as the lender, Soccer, as the borrower, and the Company, as the guarantor, in accordance with which MediaCo agreed, among other things, to sub-grant to Soccer, *inter alia*, a portion of the proceeds deriving from the Existing Loan (equal to EUR 97,362,758.08), and by which, on the occasion of the bond issue, the maturity date of this intra-group loan was changed to coincide with the date falling one year after the maturity date of the bonds;
- (xxvii) "Cost cover and indemnity letter": this document, governed by the law of the State of New York, provides that MediaCo, Soccer and AS Roma S.p.A. undertake, *inter alia*, to bear specific costs and to indemnify Goldman Sachs International, J.P. Morgan Securities plc and Unione di Banche Italiane S.p.A., in relation to a series of matters connected with the bond issue and the role played by these parties in relation thereto.

It should also be noted that the contractual terms of the above agreements are in line with those generally used in market practice, also taking into account previous similar transactions. The financial indebtedness deriving from the Bond and the related financial documents is supported by suitable guarantees, including acceleration, cross-default clauses and covenants, the infringement or activation of which could lead to a prepayment obligation. In addition, the Indenture includes a commitment to meet certain parameters designed to measure the Company's financial capacity to repay the loan and specifically: (A) Debt Service Coverage Ratio (cash availability to meet debt service compared with debt service requirements) and (B) Pro Forma Debt Service Coverage Ratio (forecast of cash availability to meet the debt service compared with debt service requirements), which must be met every 6-month period starting on 31 December 2019.

For more information, please refer to what is described in the following chapter "Relations with related parties" and "Covenants, negative pledge and any clause relating to Notes".

TRANSFORMATION INTO A JOINT-STOCK COMPANY

The Shareholders' Meeting of 11 July 2019 resolved to transform the Company into a joint-stock company under Italian Law and the company name was changed to ASR Media and Sponsorship S.p.A. The share capital is EUR 200,000 divided into 200,000 shares with a nominal value of EUR 1 each, distributed among the shareholders in proportion to their shareholding.

APPROVAL OF THE FINANCIAL STATEMENTS AS AT 30 JUNE 2019

On 25 October 2019, the Ordinary Shareholders' Meeting of ASR Media and Sponsorship S.p.A. approved the Company's separate Financial Statements as at 30 June 2019 and resolved to distribute the profit for the year, equal to EUR 8,495,869 to the Shareholders in the proportion to their shareholdings in the share capital.

CORPORATE GOVERNANCE

The Ordinary Shareholders' Meeting of 12 July 2019 confirmed the members of the corporate bodies in office at the time of the transformation of the company's legal form into a joint-stock company (società per azioni) and their respective expiry dates until the date of approval of the 2019/2020 financial statements. The appointment of the independent auditor Deloitte & Touche S.p.A. was confirmed until the date of approval of the 2020/2021 financial statements.

TAX AUDITS

The Italian Tax Police (Guardia di Finanza - Nucleo di Polizia Economico Finanziaria Roma), on 31 October 2019, following a control activity concerning, for the purposes of direct taxes and IRAP (regional tax on production) for the tax periods closed on 30/06/2015, 30/06/2016, 30/06/2017, and, for VAT purposes, the tax years 2015 and 2016, notified the company ASR Media and Sponsorship S.p.A. of a Formal Notice of Assessment. This highlighted findings for IRES (companies' corporate tax) and VAT purposes, resulting in an alleged tax debt, after deducting the tax losses in the Group's assets, amounting to EUR 0.4 million, plus penalties and interest. The Company, with the assistance of the Group's tax advisors, believes that there are no elements that could result in a certain or probable risk of having to pay the taxes related to the above findings, plus the related penalties and interest.

SIGNIFICANT EVENTS AFTER 30 JUNE 2020

GRANT OF CERTAIN WAIVERS AND SOME MODIFICATIONS TO BE MADE TO THE INDENTURE SIGNED ON 8 AUGUST 2019 BY ASR MEDIA AND SPONSORSHIP S.P.A.

As a result of the change of control connected with the completion of the acquisition by Mr Thomas Dan Friedkin, through a company of Romulus and Remus Investments LLC, controlled by the same, of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), completed on 17 August 2020 and, consequently, the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment occurred on 24

September 2020, and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, the Company's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of the Company, the transaction was classified as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

COMPLETION OF THE ACQUISITION OF THE MAJORITY SHAREHOLDING IN A.S. ROMA S.P.A.

On 17 August 2020, AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in AS Roma - and certain related assets and liabilities - to Romulus and Remus Investments LLC ("RRI"), a company incorporated under the laws of Delaware and designated by TFG for the purpose of the acquisition, of 544,468,535 ordinary shares of the Club, representing approximately 86.6% of the share capital, composed of a direct shareholding of 3.3% in the share capital of the Club and an indirect shareholding of 83.3% held through the company NEEP Roma Holding S.p.A. (the "Majority Shareholding"), together with certain additional assets, as indicated in the joint press release issued by the Parties on 7 August 2020 and available at www.asroma.com.

ECONOMIC AND FINANCIAL PERFORMANCE

COMMENTS ON THE MAIN FINANCIAL PERFORMANCE

The financial year under review closed with a further positive result of EUR 4,399 thousand, although down by EUR 4,097 thousand compared to the previous year (EUR 8,496 thousand).

The following table shows the reclassified Income Statement:

€/000	For the fiscal year ended,		Differences
	2019-2020	2018-2019	
Revenues	22.702	22.774	(72)
Costs	(624)	(246)	(378)
EBITDA excluding the Result for player's activities	22.078	22.529	(450)
Depreciation, amortization and impairment	(827)	(1.781)	954
Net financial activities	(12.243)	(6.637)	(5.606)
Pre - Tax Income / (Loss)	9.008	14.110	(5.102)
Tax position	(4.608)	(5.614)	1.006
Profit of the year	4.399	8.496	(4.097)

* Excludes costs for Amortisation, depreciation and write-downs that are re-classified under EBITDA

Revenues for the financial year, amounting to EUR 22,702 thousand (EUR 22,774 thousand for the year to 30 June 2019), referred to income of EUR 22,700 thousand (EUR 22,700 thousand for the year to 30 June 2019) from Soccer Sas, arising from the existing lease of the business unit and to residual and marginal income from other sundry income.

Operating costs for the financial year, amounting to EUR 624 thousand (EUR 246 thousand for the year to 30 June 2019), essentially related to costs for services provided by external professionals, while it should be noted that the Company has no employees.

EBITDA amounted to EUR 22,078 thousand (EUR 22,529 thousand at 30 June 2019), in line with the value achieved in the previous financial year.

Depreciation, amortisation, write-downs and provisions for risks and charges for the year amount to EUR 827 thousand (EUR 1,781 thousand at 30 June 2019), down EUR 954 thousand due to lower write-downs of current receivables of EUR 931 thousand.

Net finance costs for the year amount to EUR 12,243 thousand (EUR 6,637 thousand at 30 June 2019), down by EUR 5,606 thousand during the year due to the recognition of residual transaction costs of EUR 10,668 thousand incurred in previous years in connection with the signing of the Facility Agreement, which was early repaid in August 2019 as part of the Bond issue. These charges were recognised in accordance with the amortised cost standard provided for by IFRS 9, and spread over the residual duration of the loan, and therefore were charged to the profit and loss at the moment of the derecognition of the previous financing originating from the Facility Agreement. Net financial charges are also determined by interest expense, accrued on the basis of the Bond, and corresponding interest income, accrued on the basis of intercompany loan agreements with Soccer and AS Roma.

Taxes for the period, amounting to EUR 4,608 thousand (EUR 5,614 thousand at 30 June 2019), decreased by EUR 1,006 thousand in the financial year due to lower taxable income in the financial year.

COMMENTS ON THE EQUITY AND FINANCIAL POSITION

The following table shows the reclassified statement of financial position in summary form, showing the structure of invested capital and sources of financing:

(€/000)	30/06/2020	30/06/2019	Differences
Net non current capital	116.459	118.636	(2.177)
Net Current Capital	(52.898)	(49.310)	(3.588)
Net Invested Capital	63.561	69.326	(5.765)
<i>Consisting of:</i>			
Shareholders' Equity	131.107	135.204	(4.096)
Net financial indebtedness adjusted	(67.546)	(65.877)	(1.669)
Source of funding	63.561	69.326	(5.765)

Net invested capital at 30 June 2020, equal to EUR 63,561 thousand, is composed of:

- Reclassified net non-current capital, representing non-current assets, net of related liabilities, amounting to EUR 116,459 thousand (EUR 118,636 thousand at 30 June 2019), basically consists of: the A.S. Roma trademark, the subject of the transfer to the Business Unit, the value of which was estimated at the time of transfer, by means of a special sworn appraisal, for EUR 123,107 thousand, equipment, plant and machinery for EUR 15 thousand, intangible assets with a finite life for 16,004 thousand EUR, net of the deferred tax provision for EUR 22,667 thousand;

(€/000)	30/06/2020	30/06/2019	Differences
Other intangible assets	139.111	139.306	(195)
Property, plant& equipment	15	26	(12)
TOTAL NON CURRENT ASSETS	139.126	139.332	(206)
Provision for tax charges and deferred taxes liabilities	22.667	20.696	1.971
TOTAL NON CURRENT LIABILITIES	22.667	20.696	1.971
NET NON CURRENT CAPITAL	116.459	118.636	(2.177)

- Reclassified net current capital, negative for EUR 52,898 thousand (EUR 49,310 thousand at 30 June 2019), and representing the net position between operating receivables and payables, consists mainly of trade receivables of EUR 8,250 thousand and other receivables of EUR 32 thousand, net of current liabilities, totalling EUR 61,180 thousand, consisting mainly of trade payables of EUR 460 thousand, and other current liabilities of EUR 60,720 thousand.



(€/000)	30/06/2020	30/06/2019	Differences
Trade receivables	8.250	2.702	5.547
Other current assets	16	207	(191)
Tax receivables	16	77	(60)
TOTAL CURRENT ASSETS	8.282	2.986	5.296
Trade payables	460	238	222
Tax payables	-	1	(1)
Other current liabilities	60.720	52.057	8.662
TOTAL CURRENT LIABILITIES	61.180	52.296	8.883
NET CURRENT CAPITAL	(52.898)	(49.310)	(3.588)

Net invested capital for the year to 30 June 2020 is financed for EUR 131,107 thousand (EUR 135,204 thousand at 30 June 2019) through Shareholders' Equity, consisting of share capital, reserves and profit for the year, and EUR 67,546 thousand (EUR 65,877 thousand to 30 June 2019) of adjusted financial indebtedness showing a positive balance.

(€/000)	30/06/2020	30/06/2019	Differences
<i>Medium and long-term receivables:</i>			
- from other related lenders	(310.497)	(222.862)	(87.635)
- from other not related lenders	(9.913)	(16.601)	6.688
<i>Medium and long term borrowings:</i>			
- from other not related lenders	261.667	186.707	74.960
Long-term net financial indebtedness adjusted	(58.743)	(52.756)	(5.987)
<i>Cash and short-term financial receivables:</i>			
- Cash at bank and on hand	(2.756)	(9.618)	6.862
- Financial receivables from other related lenders	(11.783)	(19.782)	7.999
<i>Short term debt and current portion of long term debt</i>			
- to other unrelated lenders	5.736	16.279	(10.543)
Short-term net financial indebtedness adjusted	(8.803)	(13.121)	4.318
Net financial indebtedness audjusted	(67.546)	(65.877)	(1.669)

The Net Financial indebtedness adjusted consists of financial assets amounting to EUR 334,949 thousand (EUR 268,863 thousand at 30 June 2019), of which: EUR 2,756 thousand from cash and cash equivalents; EUR 9,913 thousand from deposits in current accounts, pledged to guarantee the performance of obligations under the Bond issued in August 2019; EUR 241,979 thousand from financial receivables due after 12 months, including interest accrued up to 30 June 2020 (222,862 thousand at 30 June 2019) and EUR 80,301 thousand of financial receivables from AS Roma (EUR 18,140 thousand at 30 June 2019), including interest accrued through 30 June 2020, of which EUR 68,518 thousand is due after 12 months and EUR 11,783 thousand is due within 12months.

Financial liabilities, amounting to EUR 267,403 thousand, relate to the Bond issued in August 2019.

RELATIONS WITH RELATED PARTIES

The Company has both commercial relationships as well as relationships for the provision of services of an administrative and financial nature with related parties, meaning as such the parties defined by the international accounting standard IAS 24 - adopted according to the procedure set out in Article 6 of EC Regulation No. 1606/2002 - (hereinafter, "Related Party Transactions").

Transactions with related parties, identified in accordance with the provisions of IAS 24 and set out below, refer to transactions of a commercial and financial nature, and were carried out at arm's-length conditions, or similar to those usually applied to unrelated parties for transactions of a similar nature, amount and risk, and in compliance with current legislation.

In particular, the Company's activity is currently mainly characterised by the management of the following agreements:

- business lease with Soccer;
- Indenture;
- intercompany loan agreements signed as lender with Soccer as borrower;
- intercompany loan agreements signed as lender with AS ROMA as borrower;
- agreements entered into to guarantee the Bond.

In particular to the convenience and correctness of the Bond Loan Transaction and related related transactions, the Internal Committee for Control and Risk Management of AS Roma, based on the opinion issued by Prof. Tiscini on 24 July 2019, found the convenience of the Transaction represented by the possibility for the Company to: (i) meet the needs connected with its operational management in the medium - long term; (ii) stabilize the financial performance of the Company; (iii) limiting the need to resort to short-term forms of financing; (iv) facilitate the economic and financial planning of the Company and the Group. The Internal Committee for Control and Risk Management of AS Roma, on 24 July 2019, unanimously expressed a reasoned favourable opinion on the completion of the operations functional to the issue of the Bond Loan.

Other related-party transactions relate to the following:

- Tax Consolidation: the Company, and the other companies of the AS Roma Group adhere to the National Tax Consolidation regime on the basis of the agreements for the exercise of the option for group taxation in accordance with Article 117 et seq. of the Consolidated Income Tax Act approved by Presidential Decree No. 917 of 22 December 1986 and the Ministerial Decree of 9 June 2004. National Tax Consolidation provides for a single taxable base for IRES purposes determined by the algebraic sum of the tax profits and losses of all the companies participating in it and allows AS Roma and the other companies in the Issuer's group participating in it to benefit from advantages of a financial nature, determined mainly by the possibility of offsetting tax profits and losses with a large number of parties, as well as advantages of an economic nature, deriving from the possibility of being able to sell, for a price, part of the tax losses that cannot be used. The tax consolidation regime currently in force includes the parent company NEEP together with its subsidiaries AS Roma, MediaCo, Roma Studio S.r.l., Brand Management, A.S. Roma Real Estate and TdV Real Estate.
- Group VAT: since January 2017, the parent company NEEP, together with its subsidiaries AS Roma, Soccer, MediaCo, Roma Studio, Brand Management, A.S. Roma Real Estate and Stadio TDV, adhere to the NEEP Group VAT settlement procedure, settling payments with the parent company NEEP.

Related party transactions relate more specifically to the following:



Assets and liabilities with related parties:

(€/000)	Non Current assets	Current Assets			TOTAL ASSETS
	Financial assets	Financial assets	Trade receivables	Other activities	
AS Roma S.p.A.	68.518	11.783	1.418	-	81.720
Soccer SAS	241.979	-	-	-	241.979
Neep Roma Holding S.p.A.	-	-	-	3	3
Total assets	310.497	11.783	1.418	3	323.701
<i>Total in financial statements</i>	<i>320.410</i>	<i>11.783</i>	<i>8.250</i>	<i>16</i>	
<i>% incidence</i>	<i>97%</i>	<i>100%</i>	<i>17%</i>	<i>19%</i>	

(€/000)	Current Liabilities		TOTAL LIABILITIES
	Trade payables	Other payables	
AS Roma S.p.A.	(207)	(15.818)	(16.025)
Soccer SAS	(173)	(42.991)	(43.164)
Neep Roma Holding S.p.A.	-	(1.911)	(1.911)
Total liabilities	(381)	(60.720)	(61.101)
<i>Total in financial statements</i>	<i>(460)</i>	<i>(60.720)</i>	
<i>% incidence</i>	<i>83%</i>	<i>100%</i>	

Economic transactions with related parties:

(€/000)	Other revenues	Financial revenues	TOTAL
AS Roma S.p.A.	0	3.520	3.520
Soccer SAS	22.700	10.928	33.628
Total	22.700	14.448	37.148
<i>Total in financial statements</i>	<i>22.702</i>	<i>14.448</i>	
<i>% incidence</i>	<i>100%</i>	<i>100%</i>	

For further details on transactions with related parties, and the related statement of financial position and income statement balances, please refer the Explanatory Note 5 "Transactions with related parties" of the Financial Statements.

NOTES KEY PERFORMANCE INDICATORS

In assessing the performance of the Company's business, the key indicators used under the Indenture contract are the "Cash Inflows", the "Cash Drawn for Debt Service" and the "Pro-Forma Debt Service Coverage Ratio".

These measures are not recognized measures of financial performance under IAS / IFRS. Other companies may calculate them differently and, as a result, they are not easily comparable with the same indicators of other companies and should therefore be read together with the related additional explanations.

CASH INFLOWS

Cash Inflows are defined as the sum of the cash flows received by the Company from Indirect Media, Direct Media, sponsorships and other cash inflows. More specifically:

- Cash flows from Indirect Media Rights are generated by the collection of receivables associated with AS Roma's television rights for participation in Italian and European competitions managed

respectively by FIGC/Lega Serie A and UEFA, such as the Serie A, Coppa Italia/Tim Cup, UEFA Champions League, UEFA Europa League and friendly matches.

- Cash flows from Direct Media Rights are generated by the collection of receivables associated with our TV channel Roma TV, the official Roma Radio, and the licensing of rights to the AS Roma archive content governed by the Direct Media Rights Agreements entered into by Soccer.
- Cash flows from sponsorships and other cash inflows are generated by Soccer through the collection of receivables under sponsorship and licensing agreements entered into by Soccer and/or AS Roma with leading international and national companies.

The following table shows details of cash inflows for the financial year ended 30 June 2020, compared with the figures for the previous financial year:

	For the 12 months ended June 30,		Differences
	2019	2020	2020 vs 2019
<i>(in thousands of €)</i>			
A. Serie A	79.620	90.990	11.371
B. UEFA	62.763	13.844	(48.919)
C. Indirect Media Inflow (A+B)	142.383	104.834	(37.549)
D. Direct Media Inflow	8.271	7.813	(458)
E. Sponsorship and other Cash Inflow	42.506	22.663	(19.843)
F. (D+E)	50.777	30.476	(20.301)
CASH INFLOW (C+F)	193.160	135.310	(57.849)

Cash inflows, which totalled EUR 135,3 million (EUR 193,2 million at 30 June 2019), decreased by EUR 57,8 million due mainly to a decrease of EUR 37,5 million in Indirect Media cash flow and a decrease of EUR 20,3 million in sponsorships and other cash flows.

The cash inflows from Indirect Media totalled EUR 104,8 million, compared to EUR 142,4 million in the same period last year. The net decrease of EUR 37,5 million is essentially due to the participation to the UEFA Europa League instead of the more profitable UEFA Champions League.

Direct Media's cash inflows totalled EUR 7,8 million, compared with EUR 8,3 million in the same period last year. The net decrease of EUR 0,5 million is due mainly to a different timing in the collection of the corresponding revenues.

Cash flow from Sponsorships and other cash inflows totalled EUR 22,7 million, compared with EUR 42,5 million in the same period last year. The net decrease of EUR 19,8 million euros is due by an extension of the payment terms granted to sponsors mainly due to the spread of the Covid-19 virus, and for 4.5 million euros, by the termination of the contract with Betway, terminated pursuant to law no. 96/2018 which provides for some restrictions on advertising for bets and gambling. Furthermore, it should be noted that in 2019 the Company had collected the value of 6 million euros envisaged by the sponsorship agreement with Qatar Airways as an initial fee recognized upon signing the contract.

CASH DRAWN FOR DEBT SERVICE

Cash Drawn for Debt Service is defined as the difference between Cash Inflows and Cash Outflows from the Company, with the latter defined as payments for operating costs, VAT and IRAP taxes. More specifically, operating costs refer to costs for services, taxes, legal and commercial consulting (including intellectual property protection), fees for statutory auditors and the independent auditor and other minor services of Soccer, directly related to Media and Sponsorship activities.

The following table shows details of the Cash Drawn for Debt Service for the year ended 30 June 2020, compared with the same data for the previous year:



	For the 12 months ended June 30,		Differences
	2019	2020	2020 vs 2019
<i>(in thousands of € VAT included)</i>			
Serie A	79.620	90.990	11.371
UEFA	62.763	13.844	(48.919)
A) INDIRECT MEDIA CASH INFLOWS	142.383	104.834	(37.549)
RomaTV and RomaRadio	3.728	3.488	(240)
Archive Content Rights	4.543	4.325	(218)
B) DIRECT MEDIA CASH INFLOWS	8.271	7.813	(458)
Main sponsor (Shirt)	23.644	10.750	(12.894)
Technical sponsor	2.059	3.677	1.618
Other club sponsorship	14.070	6.664	(7.406)
Royalties and Licensing	2.733	1.572	(1.161)
C) SPONSORSHIPS AND OTHER CASH INFLOWS	42.506	22.663	(19.843)
CASH INFLOWS (A+B+C)	193.160	135.310	(57.849)
Operating costs	(15.272)	(13.188)	2.085
VAT payment	-	-	-
MediaCo IRAP Taxes	(742)	(743)	(1)
CASH OUTFLOWS	(16.014)	(13.930)	2.084
CASH DRAWN FOR DEBT SERVICE	177.146	121.380	(55.766)

The Cash Drawn for Debt Service, amounting to EUR 121,4 million (EUR 177,1 million at 30 June 2019, recorded a decrease of EUR 55,8 million due to the reduction in receipts discussed in the previous "Cash Inflows" measure and more specifically to participation in the current season in the UEFA Europa League instead of the more profitable UEFA Champions League, the termination of the agreement with Betway, and a different timing in revenue collection.

At 30 June 2020, operating costs totalled EUR 13,2 million, or EUR 2,1 million less than EUR 15,3 million at 30 June 2019.

The following table shows the reconciliation of the Cash Drawn for Debt Service with the Company's Cash Flow Statement:

	For the 12 months ended June 30,	
	2019	2020
Net Cash from operating activities	30.436	(48.802)
Deferred Consideration Payment	144.654	102.904
Funding of MediaCo/TeamCo Intercompany Loan	-	64.381
MediaCo IRES Taxes	2.056	2.898
CASH DRAWN FOR DEBT SERVICE	177.146	121.380

(1) Deferred Consideration Payment refers to cash outflow of assigned receivables to AS Roma by the Issuer.

DEBT SERVICE COVERAGE RATIO

The Debt Service Coverage Ratio, defined as the ratio between Cash Drawn for Debt Service and Debt Service (payments made for interest and repayment of principal as provided in the Bond), for the 12-month period ending 30 June 2020 is 9.6 to 1.0. Therefore, the indicator at 30 June 2020 was respected:

	12 months ended June 30, 2020
Cash Inflows	135.310
Cash Outflows	(13.930)
Cash Drawn For Debt Service	121.380
Debt Service	(12.645)
Debt Service Coverage Ratio	9,6 x

PRO-FORMA DEBT SERVICE COVERAGE RATIO

The *Pro Forma* Debt Service Coverage Ratio is defined as the ratio of the Issuer's Pro Forma Estimated Look-Forward Cash Drawn for Debt Service to the Issuer's Debt Service for the twelve months ending 30 June 2021.

The *Pro Forma* Estimated Look-Forward Cash Drawn for Debt Service is defined as the difference between Pro Forma Estimated Look-Forward Cash Inflows and Pro Forma Estimated Look-Forward Cash Outflows, where:

- *Pro Forma* Estimated Look-Forward Cash Inflows is defined as cash inflows that the Company expects to generate in the twelve months ending 30 June 2021. A significant majority of Pro Forma Estimated Look-Forward Cash Inflows relate to agreements in place during the period for which collection has been assumed to be in line with the contract provisions (to the extent applicable). It cannot be guaranteed that such agreements will not be cancelled, subject to contractual reductions or negotiations, regulatory restrictions or other impacts or that the counterparties will fulfil their obligations or otherwise make payment in a timely manner. The remaining Pro Forma Estimated Look-Forward Cash Inflows relates to certain estimates and assumptions relating in particular to the sporting results of the AS Roma first team.
- *Pro Forma* Estimated Look-Forward Cash Outflows is defined as the Company's estimated cash outflows for the twelve months ending 30 June 2021.

It should be noted that the estimate of the Pro Forma Debt Service Coverage Ratio for the 12 months to 30 June 2021 does not take into account the payment of the Consent Fee which took place in September 2020 and was funded by Romulus and Remus Investments LLC, through NEEP and AS Roma, to which, for more details, refer to the following chapter "Covenant, negative pledge and other clauses of the bond loan".

COVENANT, NEGATIVE PLEDGE AND OTHER CLAUSES OF THE BOND LOAN

Until 8 August 2019, the Group was subject to compliance with covenants, calculated on a quarterly basis, acceleration events, cross default clauses and commitments whose violation or activation could lead to the termination of the agreement and the obligation early repayment, as part of the facility agreement signed on 12 February 2015 - between, *inter alia*, (i) Goldman Sachs International and Unicredit S.p.A., as Mandated Lead Arranger and Bookrunner, (ii) ASR Media and Sponsorship S.p.A., as borrower, (iii) AS Roma S.p.A., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (iv) Soccer Sas of Brand Management S.r.l., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (v) UniCredit Bank AG - Milan Branch as "Agent and Security Agent" (hereinafter, the "Facility Agreement"), as amended on 22 June 2017. More specifically, the Facility Agreement included covenants - usual for similar transactions, which were

complied with for all quarters from 30 June 2015 until 30 June 2019. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term or mandatory early repayment.

On 8 August 2019, MediaCo closed its private offering to qualified institutional investors of non-convertible Senior Secured Bonds maturing on 1 August 2024 (the "Bonds"). The Bonds were issued for a total amount of EUR 275 million with a minimum denomination of EUR 100,000 and received *BB-* ratings from Standard & Poor's, then reduced, as part of the analyses carried out to take into account the effects of the spread of the Covid-19 virus on the AS Roma Group and the football sector in general, on 16 April 2020, to *B+*, placing it on CreditWatch with negative implications, and on 13 July 2020, to *B*, with a negative Outlook, removing it from CreditWatch. Interest accrues on the Bonds at a rate of 5.125% per annum to be paid half-yearly on 30 June and 31 December of each year. The Bonds are guaranteed by Soccer in accordance with the applicable legal provisions. The principal repayment of the Bonds will take place from 31 December 2020 on a half-yearly basis, until 30 June 2024, with a final instalment on 1 August 2024. The net proceeds from the issue of the Bonds, following the payment of the commissions and expenses arising from the transaction, were used, *inter alia*, (i) to refinance the existing debt of MediaCo, through the full repayment of the outstanding loan under the facility agreement signed on 12 February 2015 (as amended from time to time); and (ii) to provide the Group with financial resources for its business activities.

The Bonds are secured by the following pledges and guarantees: (i) a pledge on the shares of MediaCo; (ii) a pledge on the shares of Soccer; (iii) a pledge on the current accounts of MediaCo; (iv) a pledge on the current accounts of Soccer; (v) a pledge on the current account of AS Roma called "UEFA Account"; (vi) an assignment as security by AS Roma of the receivables deriving from national and international television rights (so-called, "Indirect Media Rights"); (vii) a pledge of receivables arising from certain infra-group relationships; (viii) a pledge by Soccer and MediaCo of receivables arising from sponsorship and media rights agreements (direct and indirect); (ix) a pledge on MediaCo's intellectual property rights.

More specifically, among other things, the financial documentation relating to the issue of the Bonds provides for certain covenants - usual for similar transactions - including, but not limited to:

- financial covenants: there is a commitment by MediaCo to comply with certain parameters aimed at measuring its financial capacity to repay the Bonds and specifically: (A) Debt Service Coverage Ratio which, calculated on the basis of historical 12-month data, is recognised every six months starting on 30 June 2020; and (B) Pro Forma Debt Service Coverage Ratio which, calculated as the ratio between the expected cash flows for the following 12 months and the financial outlays relating to loan repayment and interest payments for the following 12 months, is recognised every six months starting on 30 June 2020. Both financial parameters must be not less than 1.5:1 and any breach constitutes an Event of Default within the meaning of the financial documentation, unless MediaCo restores - where possible - compliance with the aforesaid financial parameters within 30 working days from the date of notification to the Agent.
- negative pledge: there are restrictions for companies in the AS Roma Group: (i) to grant guarantees to third parties on its assets, except in the case of statutory guarantees linked to transactions in the ordinary course of business carried out by the companies; (ii) to assign, transfer or otherwise dispose of its assets towards third parties, excluding players' registration rights. There are also specific limitations with regard to the assumption of additional debt and the issue of guarantees.

The financial documentation of the Bonds also provides for a number of hypotheses constituting Events of Default - usual for similar transactions - which determine, among other things, the acceleration of the obligation to fully repay the Bonds, such as, by way of example and without limitation: (i) the failure to pay principal or interest due in relation to the Bonds unless it was due to technical and administrative errors and was made within the terms set forth in the documentation; (ii) the failure to comply with the financial covenants not remedied within the terms set forth above; (iii) the cross acceleration of the

financial indebtedness of MediaCo, Soccer and its subsidiaries; (iv) the case of MediaCo's insolvency due to failure to pay its past due debts; and (v) the ineffectiveness or nullity or non-enforceability of the documentation guaranteeing the Bonds.

These contractual covenants were complied with for all periods ending until 30 June 2020. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term or mandatory early repayment.

Finally, the financial documentation of the Bonds provides for certain hypotheses of mandatory repurchase of the Bonds/mandatory early repayment, among others (without limitation), in the following cases: (i) change in the ownership or control structure of, among others, the Company, Soccer and MediaCo, within the terms set out in the documentation of the Bonds; and (ii) relegation of the Company to the lower series of national sports competitions.

In this regard, it should be noted that, as a result of the change of control connected with the completion of the acquisition of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), by Mr Thomas Dan Friedkin, through Romulus and Remus Investments LLC, and the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment occurred on 24 September 2020, and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, AS Roma's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of AS Roma, the transaction was classified as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

INVESTMENTS IN SUBSIDIARIES, AFFILIATES AND PARENT COMPANIES

As at the closing date of these financial statements there are no investments in subsidiaries, affiliates and parent companies.

The company does not hold, nor has acquired or sold during the financial year, shares in a parent company, not even through trust companies or third parties.

RESEARCH AND DEVELOPMENT COSTS

As at 30 June 2020, the Company had no research and development activity; among the balance sheet items, therefore, no capitalised costs are recorded in that regard.

MAIN LEGAL PROCEEDINGS AND DISPUTES

ASR Media and Sponsorship is a party, as the plaintiff, in some judicial proceedings, both ordinary and ex parte proceedings, whose outcome is, at present, actually uncertain; such proceedings relate to previous

relationships with customers. Given the uncertain of the dispute, the Company created an ad hoc bad debt provision, which is adjusted each financial year.

TAX-RELATED REMARKS

The Italian Tax Police, Economic and Financial Unit Rome, on 31 October 2019, following a control activity concerning, for the purposes of direct taxes and IRAP, the tax periods closed on 30 June 2015, 30 June 2016, 30 June 2017 and, for VAT purposes, the tax years 2015 and 2016, notified the company ASR Media and Sponsorship S.p.A. of a Formal Notice of Assessment by means of which it highlighted findings for IRES and VAT purposes, from which emerge, after deducting the tax losses in the Group's assets, presumed taxes amounting to EUR 0.4 million, plus penalties and interest. The Company, with the assistance of the Group's tax advisors, believes that there are no elements that could lead it to believe that there is a certain or probable risk of having to pay the taxes related to the above findings, plus the related penalties and interest.

Finally, it is also noted that tax liabilities have been duly fulfilled and there are no unpaid tax debts at the date of this Report.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED

As a supplement and further specification of the information contained in this Report, a synthetic description of the major risks and uncertainties to which the Company is exposed is reproduced here below.

As a supplement and further specification of the information contained in this Report, the following is a concise description of the major risks and uncertainties to which the Company and the AS Roma Group are exposed. For an analysis of the main financial risks (credit risk, interest rate risk, exchange rate risk, liquidity risk, derivative financial instruments, risk connected with contractual covenants) connected with the ordinary course of the Group's operations, reference should be made to the relevant section of the Explanatory Notes No. 9.

RISKS RELATED TO THE FINANCIAL SITUATION OF THE COMPANY AND THE GROUP

RISKS ASSOCIATED WITH THE SPREAD OF THE COVID-19 VIRUS

As already described in the paragraph "Significant events that occurred during the year" since January 2020, the national and international scenario has been characterised by the spread of the COVID -19 virus, declared a "pandemic" by the World Health Organization, and the consequent restrictive measures for its containment issued by the public authorities of the areas concerned. National governments have adopted extraordinary measures and provisions to prevent and/or limit the spread, including restrictions on the movement of goods and persons, suspension of economic activities and all professional sporting activities, including the Serie A and UEFA competitions. The Serie A Championship was then resumed in June 2020 and was completed on 2 August 2020, while the remaining matches of the UEFA competitions were played in August 2020. In addition, the 2020/21 season's Serie A championship began on 19 September 2020, while UEFA competitions began in October 2020, with matches initially played behind closed doors, and subsequently with admission allowed to a thousand spectators.

Despite the measures adopted by the Company to mitigate its consequences, this emergency situation, extraordinary in nature and extent, has had and is having significant repercussions on the economic activities of the Company and the Group, resulting in a context of general uncertainty, the evolution and related effects of which are not currently foreseeable. More specifically, negative developments in the COVID-19 pandemic or possible future epidemics could once again lead to the interruption of sporting

competitions and/or their cancellation, which could have a negative impact mainly on AS Roma's revenues from Television rights, Sponsorships, and in general from all the Group's commercial activities, thus generating losses and, consequently, greater financial requirements, compromising the prospects of the Group as a going concern.

RISKS RELATED TO FINANCIAL REQUIREMENTS

The Company and the Group finance its financial requirements through the cash flows generated by ordinary operations including, among other things, any net operating cash flows that could be achieved through participation in UEFA competitions and any disposal of available company assets, and more specifically RSS (players' registration rights). The development of the financial situation therefore depends on many factors and, more specifically, on the achievement of the envisaged sports and economic objectives, on the general conditions of the economy and the markets in which the Group operates and, in the case of the transfers of RSS, also on the agreement between the two clubs and the player himself, whose decision is beyond the company's control.

RISKS RELATED TO THE FINANCIAL DEBT

The Company is exposed to the risk of achieving cash flows and profit margins that are not adequate and are not consistent in terms of timing with respect to cash outflows and costs associated with its debt, and not having the financial resources necessary to repay the same in full. In the event of such circumstances, in the absence of timely action to find the financial resources needed to meet the Group's commitments, a situation of financial tension would occur that could have a significant negative impact on the economic and financial situation of the Company, which could lead to losses, even significant ones, on the investment in AS Roma Shares. Furthermore, it should be noted that some loan agreements include covenants, acceleration events, cross default clauses and undertakings whose breach or activation could lead to termination of the agreement and mandatory prepayment, with significant negative effects on the Company's economic, financial and equity position, that might jeopardise its going concern status.

RISKS RELATED TO THE ECONOMIC PERFORMANCE OF THE COMPANY

The Company's economic results are highly variable as the economic performance is significantly influenced by the sports results achieved in each football season, by the capital gains made through the transfer of RSS and by other random events beyond the Group's control.

LIQUIDITY RISK

The ability to meet its ordinary cash requirements could be affected by the mechanism for channelling cash and cash equivalents provided for in the agreements signed under the Bond issued in 2019, which provide, more specifically, a potential constraint of use due to the mandatory mechanism for channelling cash receipts and uses of cash and cash equivalents to guarantee the exact fulfilment of the obligations undertaken, and therefore temporarily limit the use of cash and cash equivalents. Such channelling mechanism is defined through the assignment without recourse of receivables or through MediaCo being conferred mandate to collect all receivables assigned without recourse or as guarantee and therefore collect any payment made by, or on behalf of, AS Roma's and Soccer's debtors, concerning in particular the TV rights related to Serie A championship and European competitions, licensing and sponsorships activities, as well as the "direct media rights", whose activities are linked to the TV channel "Roma TV" and the radio channel "Roma Radio", as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, WeChat, Instagram, YouTube, Pinterest, Giphy, Weibo).

Under this mechanism contractually provided for, the use of the AS Roma Group's available cash may be temporarily restricted, with negative effects on the temporary cash flow of the cash and cash equivalence necessary to meet the immediate cash flow needs, so as to prevent payment of debts at

due dates, which, in the specific case of payables towards football clubs for transferred players, and salaries, including taxes and tax withholdings, accrued vis-à-vis staff registered with the Company, can negatively affect the issuance of the National License, to register for Serie A Championship, and of the UEFA License, to register for European competitions.

RISKS ASSOCIATED WITH THE OPERATIONS AND THE SECTOR IN WHICH IT OPERATES

RISKS ASSOCIATED WITH PARTICIPATION IN SPORTS COMPETITIONS

The participation of the First Team in the various national and European sports competitions, more specifically the UEFA Champions League, as well as its performance in these competitions, have a significant impact on the economic and financial results for the first six months of the financial year. More specifically, non-participation in the national professional championships could undermine the assumption of business continuity. In fact, such a scenario could prevent the Company from continuing its activities. Failure to participate in European competitions involves rather significant negative effects on the Group's development strategies, activities, prospects and, more generally, its economic and financial situation. The lower revenues achieved would in fact be accompanied by a lower visibility of the Company's brand and, consequently, a lower negotiating power of the Company when renewing the various contractual relationships for sponsorships, the sale of premium seats, and other marketing activities, as well as a decrease in the value of players' performance rights, where assigned.

Participation in the Serie A championship is linked, in addition to the sports title attained (placement in the top 17 positions in the Serie A championship of the previous season), to obtaining the National Licence, which envisages compliance with sporting, legal, infrastructural, organisational and economic-financial requirements set annually by the F.I.G.C. Federal Council in the framework of the approval of the regulations regarding the National Licensing System.

Participation in European competitions is linked, in addition to the sports title attained, to obtaining the so-called "UEFA Licence", for the attainment of which the Licence applicant must demonstrate that it meets the requirements of the UEFA Licensing Manual, which are of a sporting, legal, infrastructural, organisational and economic-financial nature. In addition, all clubs qualified for European competitions are automatically subject to compliance with the so-called Financial Fair Play (FFP), the set of rules and monitoring criteria imposed by UEFA, based more specifically on three pillars: business continuity, the so-called "break even rule", and no past due debts to other clubs, players or social security and tax authorities.

RISKS RELATED TO THE OUTCOME OF ONGOING LEGAL DISPUTES

The assessments made by the Directors, regarding the allocation in the financial statements for proceedings and litigation, and more specifically for allocations to specific provisions for risks and bad debts, are based on their best knowledge at the date of preparation of the Report and take into account the fact that the AS Roma Group is also an active party in the main disputes. The Directors therefore believe that the sums allocated are adequate in the light of the circumstances at the date of this Report and in compliance with the relevant accounting standards, according to which a provision is made when the liability is probable and reasonably quantifiable. However, especially in the event of a loss in the disputes to which the Group is a party, these provisions may not be sufficient to fully meet the claims for damages and/or restitution related to pending proceedings.

For information on judicial, civil, tax or labour-related proceedings to which the Group is a party, please refer to the previous chapter "*Main legal proceedings and disputes*" of the Report.

RISK FACTORS RELATED TO CORPORATE AND GOVERNANCE FACTORS OF THE COMPANY

RISKS RELATED TO THE VALUE OF THE "AS ROMA" BRAND

The Group is exposed to the risk of the loss of value of the “AS Roma” brand, of seeing the reputational stability of its brand weakened, and to the violation of its intellectual property rights by third parties. The value and success of the AS Roma brand depends, on the one hand, on the sporting performance of the First Team and, on the other, on relations with third parties. In turn, the relationships with potential and current sponsors rely on the value and success of the brand and are strongly influenced by AS Roma’s popularity as a football team and, therefore, also as a brand. Any negative publicity about the sporting performance of the First Team or the behaviour of some of its players (or their families), directors, managers with strategic responsibilities, employees or fans (both on and off the pitch) may have a negative effect on the reputation of AS Roma and, therefore, on the popularity of the brand. This risk is greater in relation to the behaviour of those players who have greater visibility both in Italy and abroad.

RISKS ARISING FROM THE TRANSACTIONS WITH RELATED PARTIES

The Group is exposed to the risk that if transactions concluded with Related Parties had been concluded between, or with, unrelated third parties, the latter would have negotiated and entered into the related agreements, or carried out the transactions themselves, at terms and conditions and with procedures that are more advantageous to the Group. However, in this regard, it should be noted that on 3 December 2010, the Company adopted a procedure for related party transactions in compliance with Consob Regulation No. 17221/2010, subsequently supplemented and updated, and in the Company’s opinion, related party transactions are and have been carried out at normal market conditions and in accordance with the procedure for related party transactions adopted by the Company. However, there is no certainty that if such transactions had been concluded with third parties, the same would have negotiated and entered into the relevant agreements, or carried out the same transactions, under the same conditions and in the same manner.

Moreover, the termination for any reason of one or more relationships with related parties could lead to difficulties due to the continuation of such relationships, or to the definition of the same under different and less advantageous conditions.

RISKS RELATED TO THE LEGAL AND REGULATORY FRAMEWORK OF THE SECTOR IN WHICH THE COMPANY

RISKS RELATED TO CHANGES IN THE TAX AND REGULATORY REGIME OF THE SECTOR

The Company operates mainly in Italy, where it is subject to the payment of taxes and duties. The Group fulfils its tax obligations, in some cases, on the basis of the interpretation of current tax legislation and regulations, and may therefore be subject to negative effects deriving from changes in the tax legislation to which it is subject. Changes in tax legislation, or its possible interpretation, also following verifications by the Tax Authorities, could expose the Company to negative consequences on its economic, equity and financial situation.

Furthermore, professional football activity is governed by extensive, stringent and detailed national and international legislation. Any changes in the regulatory framework within which the Company operates, the adoption of new measures by the competent sports bodies (including, by way of example, the adoption of stricter parameters for registration for championships, for the admission to the acquisition of players’ registration rights, or the issuance of the UEFA Licence) or sudden changes in the current practice of interpreting current legislation, could significantly affect the Group’s activities and the participation of the First Team in competitions, entail an increase in costs related to the management of the First Team and/or a reduction in revenues, with possible negative effects on the Group’s economic, equity and financial situation, as well as on its activities and prospects.

BUSINESS OUTLOOK AND GOING CONCERN

The Company's positive net result, as shown in all financial years of its existence, is expected to be achieved also in the next financial year, as shown in the last few years since its establishment.

However, it should be noted that the going concern of the Company is closely related to the going concern of AS Roma and of AS Roma Group.

The AS Roma's income statement and statement of financial position as at 31 March 2020, approved on 14 May 2020 by the Board of Directors, revealed a statutory economic result of a loss of EUR 126.4 million for the first nine months of the 2019/2020 financial year, and a separate Shareholders' Equity of A.S. Roma S.p.A. that was negative for EUR 26.8 million, with a situation of reduction in the shareholders' equity of A.S. Roma S.p.A. for losses such as to integrate the legal case referred to in Article 2447 of the Italian Civil Code (reduction of the share capital - for operating losses - by more than one third and beyond the legal limit for the company type).

The fourth quarter of the 2019/20 financial year also showed a significant deterioration in the Group's economic, financial and equity position, and the statutory loss at 30 June 2020 is estimated to EUR 188 million, with a further worsened the separate shareholders' equity of A.S. Roma S.p.A., which is estimated negative for EUR 88 million at the end of the financial year, compared with EUR 10.5 million at 30 June 2019, for a decrease of about EUR 99 million.

However, the AS Roma has decided not to adopt measures in this regard, mainly taking into account: (i) of art. 6 of the Liquidity Decree which suspended the application, among others, of art. 2447 of the Civil Code; (ii) the share capital Increase approved by the Shareholders' Meeting of 28 October 2019, for an amount up to a maximum of Euro 150 million, the execution of which is scheduled for 31 December 2020, as well as the subsequent proposal approved by the Board of Directors on 25 October 2020 to extend to 31 December 2021 the deadline for the completion of this share capital increase, and the increase of the maximum amount up to Euro 210 million of divisible and paid-for share capital, which will be submitted for approval to the next Shareholders' Meeting called for 9 December 2020 on first call and, if necessary, on 10 December 2020, on second call; (iii) the budget data updated and approved by the Board of Directors on October 25, 2020 which provide for the recovery of the separate equity deficit within 31 December 2020, through the contributions by the indirect controlling shareholder Romulus and Remus Investments LLC, through the parent company NEEP.

At the consolidated level, the loss for 2019/2020 financial year is estimated EUR 204,0 million and consolidated Equity attributable to AS Roma Group at 30 June 2020 is estimated negative by EUR 241 million, down of EUR 113 million compared with 30 June 2019.

The negative results for the 2019/20 financial year and the consequent financial deterioration recorded are due, more specifically, to participation in the UEFA Europa League in the 2019/20 season, which generated revenues significantly lower than the UEFA Champions League revenues achieved in the previous financial year, as well as the spread of the COVID 19 virus, declared a "pandemic" by the World Health Organisation, and which, from January 2020, has characterised the national and international scenario. In fact, among the restrictive measures issued by the public authorities of the areas concerned, to prevent and/or limit the spread, there are restrictions on the movement of goods and persons, suspension of economic activities and all professional sporting activities, including the Serie A and UEFA competitions.

In this context, the AS Roma Group has taken all useful measures to deal with the changed scenario and mitigate the economic and financial impact. More specifically, a financial agreement was reached with the players of the first team and its coach, for the rest of the 2019-20 season, aimed at waiving the salaries for the months of March, April, May and June 2020, for a total gross amount of approximately EUR 30 million, and at the same time defined with them an individual incentive plan for the following football seasons, as well as for the current season.

The Group has also activated the socio-economic safety nets provided for by the Presidential Decrees of the Council of Ministers on March 2020 for some employees, and the players of the first team, the coach and his staff have undertaken to compensate the difference in net remuneration received by these

employees, and an agreement was also reached with the AS Roma's management and technical staff, who waived part of their salary during this period.

Finally, it should be noted that AS Roma and the Group, with reference to tax and social security payments due in March, April, May and June 2020, exercised the option afforded by the provisions of Article 61 of Decree-Law No. 18 of 17 March 2020 (converted into Law No. 27/2020), as subsequently amended by Article 127 of Decree-Law No. 34 of 19 May 2020 (converted, with amendments, by Law No. 77/2020) and suspended the payment of withholding tax and social security charges for a total of EUR 13.4 million, almost entirely relating to AS Roma, whose payment was initiated by AS Roma and the Group on 16 September 2020 in application of the provisions of Article 97 of Decree-Law No. 104 of 14 August 2020.

Nevertheless, despite the measures adopted by the Group to mitigate its consequences, this emergency situation, extraordinary in nature and extent, has had and is having significant repercussions on the economic activities of AS Roma and the Group, resulting in a context of general uncertainty, the evolution and related effects of which are not currently foreseeable, such as to have negative repercussions mainly on AS Roma's income from broadcast rights, sponsorships, and in general all the Group's commercial activities. Moreover, the trend in income was only partially offset by lower costs, whose reduction during the year is mainly related to club members.

In this context, there is also the continuous financial and equity support whenever necessary by the direct controlling shareholder NEEP which, during 2019/20, converted EUR 29.1 million from Shareholders' Loans into payments for share capital increase of AS Roma, recorded under "Shareholder reserve for capital increase" - in addition to providing further EUR 60 million of liquidity, recorded by AS Roma in the aforementioned Shareholders' Equity reserve "Shareholder reserve for capital increase" - in both cases in order to advance the amounts allocated to the subscription by NEEP of the relevant portion of the AS Roma capital increase, approved by the Shareholders' Meeting of the latter on 28 October 2019, for which the Board of Directors has proposed the extension to 31 December 2021 of the deadline for its completion, and the increase of the maximum amount up to Euro 210 million. The above amounts, for a total Euro 89.1 million, were irrevocably allocated to equity referable to NEEP and to be allocated entirely and automatically, for the entire benefit of NEEP, to the execution by NEEP of the non-refundable upcoming share capital increase of AS Roma.

In addition, it should be noted that NEEP has also: (i) disbursed additional shareholder loans of EUR 3 million in April 2020 in favour of AS Roma in accordance with Prime Ministerial Decree No. 23 of 8 April 2020 (the so-called "Liquidity Decree"); and (ii) paid to AS Roma, as consideration due in execution of the "Purchase and Sale Agreement" signed on 27 May 2020 (agreement concerning the purchase and sale of future receivables without recourse between AS Roma, as transferor, and NEEP, as transferee), totalling EUR 19 million, of which EUR 7 million was paid in June 2020 and EUR 12 million paid after the end of the financial year, in July 2020.

The first part of the 2020/21 financial year was characterised by the transfer of the controlling interest in AS Roma, finalised on 17 August 2020, from AS Roma SPV, LLC to Romulus and Remus Investments LLC (hereinafter "RRI" or "Indirect controlling shareholder"), a company specifically appointed by the American group THE FRIEDKIN GROUP, INC.¹. RRI, after 30 June 2020, itself (i) immediately supported the AS Roma's working capital needs through shareholder loans for a total of EUR 78 million, paid to AS Roma between August and October 2020 through the parent company NEEP; (ii) made the payment of the Consent Fee of EUR 14.6 million due to the Bondholders following the approval of the granting of certain

¹ RRI controls 100% of NEEP Roma Holding S.p.A., a joint-stock company under Italian law that owns 83.284% of the majority stake of the capital of A.S. Roma S.p.A., and directly owns 3.293% of the voting shares of A.S. Roma itself. RRI is a Delaware limited liability company, with registered office in Wilmington, Delaware, 1209 Orange Street and operating headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under No. 7868101. It is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital. Romulus and Remus Holdings LLC is in turn 99% owned by Mr Thomas Dan Friedkin and 1% by Quantum Investment Holdings, Inc., a Delaware corporation. Mr Thomas Dan Friedkin owns 100% of the share capital of Quantum Holdings, Inc..

waivers and some changes to be made to the Indenture, including the waiver of the exercise of the Bondholders' right to ask the Company to proceed with the repurchase, in whole or in part, of the Bonds.

Furthermore, as communicated on August 17, 2020 in the Information Document relating to transactions of greater importance with related parties, in the mutual termination of the "Purchase and Sale Agreement", together with the related agreements, the direct controlling shareholder NEEP has converted the purchase price of the transferred receivables already paid to AS Roma, for an amount of EUR 19 million, into a shareholder loan.

Finally, with a letter dated 22 October 2020, with reference to the total loans described above, equal to EUR 114.6 million, NEEP confirmed, at the date of the next shareholders' meeting of AS Roma S.p.A., convened on 9/10 December 2020, called upon to approve, among others, (x) the postponement to 2021 - and the increase in the amount - of the capital increase of A.S. Roma S.p.A. (the "Share Capital Increase") up to EUR 210 million, (y) the financial statements at 30 June 2020 of AS Roma, the automatic, full and irrevocable conversion into "Shareholder reserve for capital increase" for the full benefit of NEEP itself, for NEEP's execution of the expected non-refundable capital increase of AS Roma. Moreover, in the same letter it is confirmed that, upon the execution of the Capital Increase, the mentioned shareholder's loans as converted into "Shareholder reserve for capital increase" will be automatically and entirely allocated to the non-refundable subscription by NEEP of the AS Roma's shares to be issued in the context of this Capital Increase.

On October 25, 2020 is convened the Board of Directors of AS Roma in order to examine an update of the consolidated forecast data for the financial year 2020/2021 ("Budget Data"), to take into account the economic, financial and equity impact of the transfer of players defined during the summer session of the transfer campaign, the business strategy of the indirect controlling shareholder RRI, as well as the effects resulting from the spread of the COVID-19 virus and the new containment measures adopted by national and international authorities.

The Budget Data on October 25, 2020 also envisages for the 2020/21 financial year a further significant deterioration in the economic, financial and equity situation of AS Roma and the AS Roma Group, characterised, among other things, by a still negative income trend, a capital deficit, even though, with reference to the separate financial statement of AS Roma S.p.A., the scenario set forth by art. 2447 of the Italian Civil Code is forecast to be overcome within 31 December 2020, and relevant financial requirements. Furthermore, the Board of Directors, as mentioned above, proposed to postpone the deadline for the execution of this share capital increase to 31 December 2021, and to increase the maximum amount of the divisible and paid share capital increase up to EUR 210 million.

The Directors have assessed that the events and circumstances described may give rise to doubts on the AS Roma's ability to continue operating as a going concern. In particular, following the suspension of the championship, the expected revenues from the sale of tickets for the matches that have not been played, and which - even with the resumption of the championship - have and will still be played without the possibility of access to the stadiums by of the spectators. Furthermore, further uncertainties emerge in relation to the transfer operations of players' registration rights which could, in this economic context, be partially affected by a potential reduction in investments in the sector, and eventually, on the timing to carry out such transfer operations. Any negative evolution of the previously outlined uncertainties could lead to the occurrence of further losses and, consequently, of additional financial needs, additional to those provided for in the Budget Data, even though their amount is currently difficult to forecast.

Therefore, the Budget Data require a series of actions necessary to ensure an adequate management of capital and financial resources and cash requirements, which make it possible to meet the requirements deriving from operating activities, investments made and financial payables falling due within the next 12 months. More specifically, AS Roma expects to cover its financial and capital needs and to have sufficient capital resources through one or more of the following actions:

- the cash flows generated from ordinary activities including, inter alia, any additional net operating cash flows that could be generated during the participation in the UEFA Europa League competition this season, as well as any participation in European competitions in the 2021/22 sports season;

- any disposal of available company assets, and more specifically of multi-year players' registration rights (RSS), which would give rise to values that are currently unrecorded, in line with what has happened in recent years, also taking into account that the overall market value of the RSS is reasonably higher than the book value and therefore represents a solid basis for both financial and economic security for the future. In any case, it should be noted that the transfer of RSS is in any case conditioned on the agreement between the two clubs and the acceptance of the transfer by the player himself, whose decision is outside of corporate control;
- the subscription of the Capital Increase approved by the Shareholders' Meeting on 28 October 2019, considering also the new amount proposed by the Board of Directors to the Shareholders and the amounts already converted to the "Shareholder reserve for capital increase", through the contribution already paid to AS Roma by way of shareholder loans for a total of EUR 92.6 million after 30 June 2020, assuming the irrevocable commitment to convert them in full, at the date of the next shareholders' meeting of AS Roma S.p.A. called for 9/10 December 2020, in the "Shareholder reserve for capital increase" and the additional contributions by NEEP already recorded in this reserve;
- the contribution of additional financial and / or equity resources by the Indirect controlling shareholder that has irrevocably committed to financially support AS Roma so that it can overcome the case referred to in art. 2447 C.C. and to provide the necessary resources so that it can operate as a going concern with reference to a time horizon of at least twelve months from the date of issuance of the draft financial statements by the Board of Directors.

However, any adverse developments in the COVID-19 pandemic or possible future outbreaks could affect the activities of AS Roma and other Serie A clubs, and the ability to successfully complete the aforementioned actions, as well as the smooth running of Serie A and of the other European competitions in the current season or in the next seasons that are not foreseeable at the date of approval of the Annual Financial Report as at 30 June 2020. In the event of a negative evolution of these hypothetical circumstances, which represent uncertainties, it could determine the occurrence of further losses and, consequently, of further financial needs, in addition to those reflected in the aforementioned Budget Data even though their amount is currently difficult to determine. It should be noted that the Budget Data is based on the AS Roma's assessment of events and situations that are currently expected to occur and of the related actions that AS Roma intends to take. Therefore, these data reflect the assumptions and elements used by AS Roma at the basis of their formulation and represent the best estimate of the equity and financial situation and the economic result for the period expected by AS Roma. In this regard, it should be noted that the preparation of the Forecast Data is based, by its very nature, on the assumption of detailed and complex hypotheses about future events, in many cases outside the company's control, generally characterised by inherent elements of subjectivity and uncertainties, and that in the estimation of the Budget Data there remain the typical uncertainties of a football club.

Consequently, even if prepared by AS Roma with accuracy and on the basis of the best available estimates, some of the base forecast events may not occur or may occur to an extent different from that forecast, while unforeseeable events may occur at the time of their preparation, considering, among other things, the current context resulting from the spread of the COVID-19 virus, thus generating significant deviations between actual and forecast values.

In particular, in the hypothetical circumstance in which the Football Association would be forced to interrupt the sporting season again or to cancel it or to extend the current containment measures for the entire duration of the championship and / or to adopt further measures, a negative reflex could emerge mainly on residual proceeds deriving from television rights and sponsorships, as well as on proceeds from ticketing. Further uncertainties could emerge with reference to the determination of the market value of players' registration rights, as well as the value connected to the transfer operations of part of these long-term rights provided for in the Budget Data, which could be affected, by the reference context, by a potential reduction in investments in the sector. In the presence of such hypothetical circumstances, the timing for overcoming the recorded capital deficit will be specifically assessed in the context of the unpredictable reference context in accordance with the applicable regulatory scenario. Therefore, AS Roma will continue to monitor the evolution of the factors taken into consideration, so as to be able to

take, where necessary, the most appropriate corrective decisions and actions, if necessary, including the contribution of the financial and capital resources through the indirect controlling shareholder RRI as mentioned above.

It should also be noted that the participation of the First Team in the various national and European competitions requires compliance with certain economic and financial requirements, as set by the Federal Council of the FIGC, as well as compliance with the set of rules and monitoring criteria laid down by the UEFA regulations, based in particular on three pillars: the going concern, the so-called Break-even rule, and the absence of overdue debts to other clubs, players or social security and tax authorities. In this regard, it should be noted that the Budget Data require a series of actions that will allow the First Team to take part in the various national and European sports competitions, and that, at the date of publication of this Report, the wages and salaries for September 2020 have been paid to Club members, current and accrued taxes and withholding taxes have been regularly paid and there are therefore no tax payables due, and all payables due to other clubs at 30 September 2020 have also been paid.

After having carried out the necessary checks and assessed the uncertainties described above, on the basis of the considerations illustrated above, and in particular the assessment of the players' registration rights, available for transfer to third parties, of the amount of the systematically realized capital gains in recent years, the contribution of additional financial and equity resources expected by the main controlling shareholder, through RRI, who already stated formally his commitment for at least twelve months from the date of issuance of the consolidated financial statements, as well as the cash flows expected from the continuation of sports competitions, AS Roma believes that there is a reasonable expectation to finalize the aforementioned actions to the extent necessary to ensure adequate management of capital and financial resources and its ordinary cash requirements.

Therefore, the Financial statements have been prepared on a going-concern basis.

In any case, the Company will continue to constantly monitor the evolution of the emergency situation related to the spread of the COVID-19 virus, in view of both the changing regulatory framework and the complex global economic environment, in order to assess the possible adoption of further measures to protect the health and well-being of its Club members, employees and collaborators, and to protect its sources of income and its assets.

FINAL CONSIDERATIONS

Dear Shareholders,

We invite you to approve the Financial Statements for the year ended 30 June 2020, as presented to you, which show a profit for the financial year of EUR 4,399,381.8 and, with reference to the allocation of the financial year's profit, we propose that it be distributed to the Shareholders to the extent of their shareholdings in the Share Capital, the Legal Reserve having reached the maximum value provided for in Article 2430 of the Italian Civil Code.

Rome, 23 October 2020

Chief Executive Officer

Guido Fienga



FINANCIAL STATEMENTS AND NOTES FOR THE FINANCIAL YEAR ENDED AT 30 JUNE 2020

ACCOUNTING STATEMENTS

STATEMENT OF FINANCIAL POSITION

ASSETS	notes	30/06/2020	30/06/2019
NOT CURRENT ASSETS			
Other Intangible assets		139.111.406	139.305.966
Intangible assets	7.1	139.111.406	139.305.966
Plant and equipment		3.361	7.230
Industrial and commercial equipment		2.375	5.109
Other tangible assets		9.166	14.138
Tangible assets	7.2	14.902	26.476
Non-current financial assets	7.3	320.409.745	239.462.789
Other non-current assets		320.409.745	239.462.789
Total non-current assets		459.536.052	378.795.231
CURRENT ASSETS			
Trade receivables	7.4	8.249.880	2.702.393
Other current assets	7.5	15.756	207.112
Tax receivables	7.6	16.354	76.845
Current financial assets	7.3	11.783.113	19.782.476
Cash at bank and on hand	7.7	2.755.831	9.618.151
Total Current Assets		22.820.934	32.386.977
TOTAL ASSETS		482.356.986	411.182.209

The explanatory notes are an integral part of the financial statements

ACCOUNTING STATEMENTS

STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY	notes	30/06/2020	30/06/2019
EQUITY			
Share capital		200.000	200.000
Share premium reserve		135.667.550	135.667.550
Legal Reserves		40.000	40.000
Reservation Reserve		(13.520.068)	(13.520.068)
Profit carried forward		4.320.204	4.320.204
Profit for the period		4.399.382	8.495.869
Total Shareholders' Equity	7.8	131.107.068	135.203.555
NON CURRENT LIABILITIES			
Long-term debt	7.9	261.666.990	186.706.557
Provision for tax charges and deferred taxes liabilities	7.12	22.667.349	20.696.275
Total Non Current Liabilities		284.334.339	207.402.832
CURRENT LIABILITIES			
Trade payables	7.10	459.877	237.966
Short term debt and current portion of long term debt	7.9	5.735.955	16.279.476
Tax payables	7.11	-	996
Other liabilities	7.13	60.719.748	52.057.384
Total Current Liabilities		66.915.580	68.575.822
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		482.356.986	411.182.209

The explanatory notes are an integral part of the financial statements

ACCOUNTING STATEMENTS

COMPREHENSIVE INCOME STATEMENT

	Notes	12 months ended,	
		2019-2020	2018-2019
Other revenues		22.702.002	22.774.140
Total revenues	8.1	22.702.002	22.774.140
Cost of services	8.2	(545.154)	(234.455)
Other expenses	8.3	(78.742)	(11.135)
Depreciation, amortization and write down	8.4	(827.176)	(1.781.090)
Total operating costs		(1.451.072)	(2.026.681)
Financial income		14.448.284	13.915.558
Financial expenses		(26.691.373)	(20.533.014)
Net financial expenses	8.5	(12.243.088)	(6.617.456)
Profit before taxes		9.007.841	14.110.004
current taxes		(2.637.386)	(3.643.061)
deferred taxes		(1.971.074)	(1.971.074)
Total taxes	8.6	(4.608.460)	(5.614.135)
Profit for the period		4.399.382	8.495.869

The explanatory notes are an integral part of the financial statements

ACCOUNTING STATEMENTS

CASHFLOW STATEMENT

	Notes	30/06/2020 12M	30/06/2019 12M
Net profit		4.399.410	8.495.944
Depreciation and amortization	8.4	206.134	228.573
Provisions and other write-downs	8.4	621.042	1.552.517
Net financial income	8.5	12.243.061	6.637.381
deferred taxes		1.971.074	1.971.074
change in current receivables	7.4	(6.168.529)	(2.040.911)
change in current payables	7.10	9.329.711	(52.434)
change in tax payables	7.11	3.639.572	2.797.797
Change in other current assets	7.5	251.708	7.361.783
Change in other current liabilities	7.13	166.763	11.239.814
Change in other non-current liabilities		-	(10.735.514)
Change in intercompany loans	7.3	(71.820.736)	5.778.614
Tax payments		(3.640.568)	(2.798.400)
A) Net Cash from operating activities		(48.801.759)	30.436.562
B) Net cash from investing activities		0	(15)
New loans	7.9	265.892.200	-
Repayment of loans	7.9	(211.875.000)	(14.500.000)
Financial expenses		(16.427.760)	(17.098.000)
Dividends		(2.338.000)	-
Release excess funds from the secured account	7.3	6.688.000	-
C) Net cash from financing activities		41.939.440	(31.598.000)
D)=(A+B+C) TOTAL CASH FLOW		(6.862.320)	(1.161.453)

RECONCILIATION OF CASH AT BANK ON HAND

	30/06/2020 12M	30/06/2019 12M
<u>Change in cash net of passive bank balance</u>		
Cash at bank and on hand at the beginning of the period	9.618.151	10.779.600
Cash at bank and on hand at the end of the period	2.755.831	9.618.147
Cash variation net of passive bank balance	(6.862.320)	(1.161.453)



ACCOUNTING STATEMENTS

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Euro	Share capital	Legal reserve	Share Premium reserve	Other reserves	Profit carried forward	Profit/loss for the period	Shareholders' Equity
Values as at 30 June 2018	200.000	40.000	135.667.550	(13.520.068)	-	10.686.415	133.073.897
Effects of IFRS 9 application	-	-	-	-	4.370.204	-	4.370.204
Values as of 1 July 2018	200.000	40.000	135.667.550	(13.520.068)	4.370.204	10.686.415	137.444.101
Shareholders' dividends (1)	-	-	-	-	-	(10.686.415)	(10.686.415)
Effects of IFRS 9 application	-	-	-	-	(50.000)	-	(50.000)
Profit at 30 June 2019	-	-	-	-	-	8.496.869	8.496.869
Values as at 30 June 2019	200.000	40.000	135.667.550	(13.520.068)	4.320.204	8.496.869	135.204.555
Shareholders' dividends (2)	-	-	-	-	-	(8.496.869)	(8.496.869)
Profit at 30 June 2020	-	-	-	-	-	4.399.382	4.399.382
Values as at 30 June 2020	200.000	40.000	135.667.550	(13.520.068)	4.320.204	4.399.382	131.107.068

(1) Resolution of the Shareholders' Meeting of ASR Media and Sponsorship S.p.A of 25 October 2018

(2) Resolution of the Shareholders' Meeting of ASR Media and Sponsorship S.p.A of 25 October 2019

The explanatory notes are an integral part of the financial statements

EXPLANATORY NOTES

1. GENERAL INFORMATION

ASR Media and Sponsorship S.p.A. (the “Company” or “MediaCo”) is a joint-stock company under Italian law (società per azioni), incorporated and located in Italy, with registered office at Via Emilia 47, Rome. The Company operates in the incorporation, management and exploitation of intangible assets in the sports sector.

The Company, in application of IAS/IFRS Standards, is considered a special purpose Company and, therefore, is consolidated in the AS Roma Group, which includes AS Roma (“Parent Company” or “AS Roma”), Soccer S.a.s. di Brand Management S.r.l. (hereinafter “Soccer SAS”), Roma Studio and MediaCo.

At this regard, on 17 August 2020 AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in the Company - and certain related assets and liabilities - to Romulus and Remus Investments LLC (a company specifically appointed by THE FRIEDKIN GROUP, INC., hereinafter “RRI”). More specifically, RRI controls 100% of NEEP, a joint-stock company under Italian law that owns 83.284% of the majority stake of the capital of AS Roma, and directly owns 3.293% of the voting shares of AS Roma.

RRI is a Delaware limited liability company, with registered office in Wilmington, Delaware, 1209 Orange Street and operating headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under No. 7868101. It is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital.

Romulus and Remus Holdings LLC is in turn 99% owned by Mr Thomas Dan Friedkin and 1% by Quantum Investment Holdings, Inc., a Delaware corporation. Mr Thomas Dan Friedkin owns 100% of the share capital of Quantum Holdings, Inc..

Management and coordination, in accordance with Articles 2497 et seq. of the Italian Civil Code, was exercised until 17 August 2020 by AS Roma SPV LLC, and is currently exercised by RRI.

2. CONTENT AND FORM OF THE FINANCIAL STATEMENTS

The Financial Statements comprise the Accounting Statements (Statement of Financial Position, Comprehensive Income Statement, Statement of Changes in Shareholders’ Equity and Cash Flow Statement), accompanied by the Explanatory Notes in accordance with IAS 1 “Presentation of Financial Statements”.

More specifically, with reference to the Accounting Statements, for the Statement of Financial Position, the distinction between current/non-current has been adopted as the method of representing assets and liabilities, while for the Comprehensive Income Statement, the classification of revenues and costs is by nature; the Cash Flow Statement is prepared according to the indirect method, adjusting the Profit for the period from other non-monetary components.

The layouts of the Statement of Financial Position, Comprehensive Income Statement, Statement of Changes in Shareholders’ Equity and Cash Flow Statement are the same as those used for the Financial Statements at 30 June 2019.

Amounts included in the Financial Statements and Notes are shown in thousands of Euro, unless otherwise indicated. The rounding up or down of amounts to the next Euro can give rise, in statements containing accounting data, to items that add up to an amount that is different from the one shown in the line recording the total of same.

These Financial Statements, approved by the Board of Directors at the meeting on October 23, 2020, are audited by the independent auditor Deloitte & Touche S.p.A., whose report is annexed to these Explanatory Notes.

3. STANDARDS AND CRITERIA APPLIED

3.1. ACCOUNTING STANDARDS AND ASSESSMENT CRITERIA

These Financial Statements (hereinafter also referred to as the “Financial Statements” or “Report”) representing the operating performance for the financial year 2019-2020 (hereinafter, the “Financial Year” or “Period”), closed on 30 June 2020, have been prepared in accordance with Articles 2 and 3 of Legislative Decree No. 58/98 and the provisions of Article 154-ter of the TUF and subsequent amendments and supplements, and in compliance with the international accounting standards issued by the International Accounting Standards Board and approved by the European Commission at 31 December 2008, in force at the end of the period, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as well as the previous International Accounting Standards (IAS) and the interpretations of the Standard Interpretations Committee (SIC), still in force at the same date. For ease of reference, all the standards and interpretations will be referred to below as the “IFRS”.

The Financial Statements have been prepared on a going concern basis for the Parent Company and the other subsidiaries and consolidated companies of the Group.

The same accounting standards and assessment criteria have been adopted in the preparation of the Financial Statements for the year ended 30 June 2019, with the exception of the changes introduced by the application of the new standard IFRS 16 - Leases, published by the IASB on 13 January 2016, and applied for the first time from 1 July 2019. The application of this principle had no impact on the Financial Statements of the Company.

Finally, it should be noted that from 1 July 2019, IFRIC 23 - “Uncertainty over Income Tax Treatments” came into force, which, however, had no impact on the financial statements at 30 June 2020.

It should also be noted that, in accordance with IAS 36, tangible and intangible assets with the exception of trademark and library, are tested for impairment when preparing the financial statements only when there are internal or external indicators that these assets may have suffered a loss in value, taking into account the indicators and results emerging from the impairment tests carried out when preparing the financial statements for the previous year.

BUSINESS OUTLOOK AND GOING CONCERN

The Company’s positive net result, as shown in all financial years of its existence, is expected to be achieved also in the next financial year, as shown in the last few years since its establishment.

However, it should be noted that the going concern of the Company is closely related to the going concern of AS Roma and of AS Roma Group.

The AS Roma’s income statement and statement of financial position as at 31 March 2020, approved on 14 May 2020 by the Board of Directors, revealed a statutory economic result of a loss of EUR 126.4 million for the first nine months of the 2019/2020 financial year, and a separate Shareholders’ Equity of A.S. Roma S.p.A. that was negative for EUR 26.8 million, with a situation of reduction in the shareholders’ equity of A.S. Roma S.p.A. for losses such as to integrate the legal case referred to in Article 2447 of the Italian Civil Code (reduction of the share capital - for operating losses - by more than one third and beyond the legal limit for the company type).

The fourth quarter of the 2019/20 financial year also showed a significant deterioration in the Group’s economic, financial and equity position, and the statutory loss at 30 June 2020 is estimated to EUR 188 million, with a further worsened the separate shareholders’ equity of A.S. Roma S.p.A., which is estimated negative for EUR 88 million at the end of the financial year, compared with EUR 10.5 million at 30 June 2019, for a decrease of about EUR 99 million.

However, the AS Roma has decided not to adopt measures in this regard, mainly taking into account: (i) of art. 6 of the Liquidity Decree which suspended the application, among others, of art. 2447 of the Civil Code; (ii) the share capital Increase approved by the Shareholders' Meeting of 28 October 2019, for an amount up to a maximum of Euro 150 million, the execution of which is scheduled for 31 December 2020, as well as the subsequent proposal approved by the Board of Directors on 25 October 2020 to extend to 31 December 2021 the deadline for the completion of this share capital increase, and the increase of the maximum amount up to Euro 210 million of divisible and paid-for share capital, which will be submitted for approval to the next Shareholders' Meeting called for 9 December 2020 on first call and, if necessary, on 10 December 2020, on second call; (iii) the budget data updated and approved by the Board of Directors on October 25, 2020 which provide for the recovery of the separate equity deficit within 31 December 2020, through the contributions by the indirect controlling shareholder Romulus and Remus Investments LLC, through the parent company NEEP.

At the consolidated level, the loss for 2019/2020 financial year is estimated EUR 204,0 million and consolidated Equity attributable to AS Roma Group at 30 June 2020 is estimated negative by EUR 241 million, down of EUR 113 million compared with 30 June 2019.

The negative results for the 2019/20 financial year and the consequent financial deterioration recorded are due, more specifically, to participation in the UEFA Europa League in the 2019/20 season, which generated revenues significantly lower than the UEFA Champions League revenues achieved in the previous financial year, as well as the spread of the COVID 19 virus, declared a "pandemic" by the World Health Organisation, and which, from January 2020, has characterised the national and international scenario. In fact, among the restrictive measures issued by the public authorities of the areas concerned, to prevent and/or limit the spread, there are restrictions on the movement of goods and persons, suspension of economic activities and all professional sporting activities, including the Serie A and UEFA competitions.

In this context, the AS Roma Group has taken all useful measures to deal with the changed scenario and mitigate the economic and financial impact. More specifically, a financial agreement was reached with the players of the first team and its coach, for the rest of the 2019-20 season, aimed at waiving the salaries for the months of March, April, May and June 2020, for a total gross amount of approximately EUR 30 million, and at the same time defined with them an individual incentive plan for the following football seasons, as well as for the current season.

The Group has also activated the socio-economic safety nets provided for by the Presidential Decrees of the Council of Ministers on March 2020 for some employees, and the players of the first team, the coach and his staff have undertaken to compensate the difference in net remuneration received by these employees, and an agreement was also reached with the AS Roma's management and technical staff, who waived part of their salary during this period.

Finally, it should be noted that AS Roma and the Group, with reference to tax and social security payments due in March, April, May and June 2020, exercised the option afforded by the provisions of Article 61 of Decree-Law No. 18 of 17 March 2020 (converted into Law No. 27/2020), as subsequently amended by Article 127 of Decree-Law No. 34 of 19 May 2020 (converted, with amendments, by Law No. 77/2020) and suspended the payment of withholding tax and social security charges for a total of EUR 13.4 million, almost entirely relating to AS Roma, whose payment was initiated by AS Roma and the Group on 16 September 2020 in application of the provisions of Article 97 of Decree-Law No. 104 of 14 August 2020.

Nevertheless, despite the measures adopted by the Group to mitigate its consequences, this emergency situation, extraordinary in nature and extent, has had and is having significant repercussions on the economic activities of AS Roma and the Group, resulting in a context of general uncertainty, the evolution and related effects of which are not currently foreseeable, such as to have negative repercussions mainly on AS Roma's income from broadcast rights, sponsorships, and in general all the Group's commercial activities. Moreover, the trend in income was only partially offset by lower costs, whose reduction during the year is mainly related to club members.

In this context, there is also the continuous financial and equity support whenever necessary by the direct controlling shareholder NEEP which, during 2019/20, converted EUR 29.1 million from Shareholders' Loans into payments for share capital increase of AS Roma, recorded under "Shareholder reserve for capital increase" - in addition to providing further EUR 60 million of liquidity, recorded by AS Roma in the aforementioned Shareholders' Equity reserve "Shareholder reserve for capital increase" - in both cases in order to advance the amounts allocated to the subscription by NEEP of the relevant portion of the AS Roma capital increase, approved by the Shareholders' Meeting of the latter on 28 October 2019, for which the Board of Directors has proposed the extension to 31 December 2021 of the deadline for its completion, and the increase of the maximum amount up to Euro 210 million. The above amounts, for a total Euro 89.1 million, were irrevocably allocated to equity referable to NEEP and to be allocated entirely and automatically, for the entire benefit of NEEP, to the execution by NEEP of the non-refundable upcoming share capital increase of AS Roma.

In addition, it should be noted that NEEP has also: (i) disbursed additional shareholder loans of EUR 3 million in April 2020 in favour of AS Roma in accordance with Prime Ministerial Decree No. 23 of 8 April 2020 (the so-called "Liquidity Decree"); and (ii) paid to AS Roma, as consideration due in execution of the "Purchase and Sale Agreement" signed on 27 May 2020 (agreement concerning the purchase and sale of future receivables without recourse between AS Roma, as transferor, and NEEP, as transferee), totalling EUR 19 million, of which EUR 7 million was paid in June 2020 and EUR 12 million paid after the end of the financial year, in July 2020.

The first part of the 2020/21 financial year was characterised by the transfer of the controlling interest in AS Roma, finalised on 17 August 2020, from AS Roma SPV, LLC to Romulus and Remus Investments LLC (hereinafter "RRI" or "Indirect controlling shareholder"), a company specifically appointed by the American group THE FRIEDKIN GROUP, INC.². RRI, after 30 June 2020, itself (i) immediately supported the AS Roma's working capital needs through shareholder loans for a total of EUR 78 million, paid to AS Roma between August and October 2020 through the parent company NEEP; (ii) made the payment of the Consent Fee of EUR 14.6 million due to the Bondholders following the approval of the granting of certain waivers and some changes to be made to the Indenture, including the waiver of the exercise of the Bondholders' right to ask the Company to proceed with the repurchase, in whole or in part, of the Bonds.

Furthermore, as communicated on August 17, 2020 in the Information Document relating to transactions of greater importance with related parties, in the mutual termination of the "Purchase and Sale Agreement", together with the related agreements, the direct controlling shareholder NEEP has converted the purchase price of the transferred receivables already paid to AS Roma, for an amount of EUR 19 million, into a shareholder loan.

Finally, with a letter dated 22 October 2020, with reference to the total loans described above, equal to EUR 114.6 million, NEEP confirmed, at the date of the next shareholders' meeting of AS Roma S.p.A., convened on 9/10 December 2020, called upon to approve, among others, (x) the postponement to 2021 - and the increase in the amount - of the capital increase of A.S. Roma S.p.A. (the "Share Capital Increase") up to EUR 210 million, (y) the financial statements at 30 June 2020 of AS Roma, the automatic, full and irrevocable conversion into "Shareholder reserve for capital increase" for the full benefit of NEEP itself, for NEEP's execution of the expected non-refundable capital increase of AS Roma. Moreover, in the same letter it is confirmed that, upon the execution of the Capital Increase, the mentioned shareholder's loans as converted into "Shareholder reserve for capital increase" will be automatically and entirely allocated to the non-refundable subscription by NEEP of the AS Roma's shares to be issued in the context of this Capital Increase.

² RRI controls 100% of NEEP Roma Holding S.p.A., a joint-stock company under Italian law that owns 83.284% of the majority stake of the capital of A.S. Roma S.p.A., and directly owns 3.293% of the voting shares of A.S. Roma itself. RRI is a Delaware limited liability company, with registered office in Wilmington, Delaware, 1209 Orange Street and operating headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under No. 7868101. It is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital. Romulus and Remus Holdings LLC is in turn 99% owned by Mr Thomas Dan Friedkin and 1% by Quantum Investment Holdings, Inc., a Delaware corporation. Mr Thomas Dan Friedkin owns 100% of the share capital of Quantum Holdings, Inc..

On October 25, 2020 is convened the Board of Directors of AS Roma in order to examine an update of the consolidated forecast data for the financial year 2020/2021 ("Budget Data"), to take into account the economic, financial and equity impact of the transfer of players defined during the summer session of the transfer campaign, the business strategy of the indirect controlling shareholder RRI, as well as the effects resulting from the spread of the COVID-19 virus and the new containment measures adopted by national and international authorities.

The Budget Data on October 25, 2020 also envisages for the 2020/21 financial year a further significant deterioration in the economic, financial and equity situation of AS Roma and the AS Roma Group, characterised, among other things, by a still negative income trend, a capital deficit, even though, with reference to the separate financial statement of AS Roma S.p.A., the scenario set forth by art. 2447 of the Italian Civil Code is forecast to be overcome within 31 December 2020, and relevant financial requirements. Furthermore, the Board of Directors, as mentioned above, proposed to postpone the deadline for the execution of this share capital increase to 31 December 2021, and to increase the maximum amount of the divisible and paid share capital increase up to EUR 210 million.

The Directors have assessed that the events and circumstances described may give rise to doubts on the AS Roma's ability to continue operating as a going concern. In particular, following the suspension of the championship, the expected revenues from the sale of tickets for the matches that have not been played, and which - even with the resumption of the championship - have and will still be played without the possibility of access to the stadiums by of the spectators. Furthermore, further uncertainties emerge in relation to the transfer operations of players' registration rights which could, in this economic context, be partially affected by a potential reduction in investments in the sector, and eventually, on the timing to carry out such transfer operations. Any negative evolution of the previously outlined uncertainties could lead to the occurrence of further losses and, consequently, of additional financial needs, additional to those provided for in the Budget Data, even though their amount is currently difficult to forecast.

Therefore, the Budget Data require a series of actions necessary to ensure an adequate management of capital and financial resources and cash requirements, which make it possible to meet the requirements deriving from operating activities, investments made and financial payables falling due within the next 12 months. More specifically, AS Roma expects to cover its financial and capital needs and to have sufficient capital resources through one or more of the following actions:

- the cash flows generated from ordinary activities including, inter alia, any additional net operating cash flows that could be generated during the participation in the UEFA Europa League competition this season, as well as any participation in European competitions in the 2021/22 sports season;
- any disposal of available company assets, and more specifically of multi-year players' registration rights (RSS), which would give rise to values that are currently unrecorded, in line with what has happened in recent years, also taking into account that the overall market value of the RSS is reasonably higher than the book value and therefore represents a solid basis for both financial and economic security for the future. In any case, it should be noted that the transfer of RSS is in any case conditioned on the agreement between the two clubs and the acceptance of the transfer by the player himself, whose decision is outside of corporate control;
- the subscription of the Capital Increase approved by the Shareholders' Meeting on 28 October 2019, considering also the new amount proposed by the Board of Directors to the Shareholders and the amounts already converted to the "Shareholder reserve for capital increase", through the contribution already paid to AS Roma by way of shareholder loans for a total of EUR 92.6 million after 30 June 2020, assuming the irrevocable commitment to convert them in full, at the date of the next shareholders' meeting of AS Roma S.p.A. called for 9/10 December 2020, in the "Shareholder reserve for capital increase" and the additional contributions by NEEP already recorded in this reserve;
- the contribution of additional financial and / or equity resources by the Indirect controlling shareholder that has irrevocably committed to financially support AS Roma so that it can overcome the case referred to in art. 2447 C.C. and to provide the necessary resources so that it can operate as

a going concern with reference to a time horizon of at least twelve months from the date of issuance of the draft financial statements by the Board of Directors.

However, any adverse developments in the COVID-19 pandemic or possible future outbreaks could affect the activities of AS Roma and other Serie A clubs, and the ability to successfully complete the aforementioned actions, as well as the smooth running of Serie A and of the other European competitions in the current season or in the next seasons that are not foreseeable at the date of approval of the Annual Financial Report as at 30 June 2020. In the event of a negative evolution of these hypothetical circumstances, which represent uncertainties, it could determine the occurrence of further losses and, consequently, of further financial needs, in addition to those reflected in the aforementioned Budget Data even though their amount is currently difficult to determine. It should be noted that the Budget Data is based on the AS Roma's assessment of events and situations that are currently expected to occur and of the related actions that AS Roma intends to take. Therefore, these data reflect the assumptions and elements used by AS Roma at the basis of their formulation and represent the best estimate of the equity and financial situation and the economic result for the period expected by AS Roma. In this regard, it should be noted that the preparation of the Forecast Data is based, by its very nature, on the assumption of detailed and complex hypotheses about future events, in many cases outside the company's control, generally characterised by inherent elements of subjectivity and uncertainties, and that in the estimation of the Budget Data there remain the typical uncertainties of a football club.

Consequently, even if prepared by AS Roma with accuracy and on the basis of the best available estimates, some of the base forecast events may not occur or may occur to an extent different from that forecast, while unforeseeable events may occur at the time of their preparation, considering, among other things, the current context resulting from the spread of the COVID-19 virus, thus generating significant deviations between actual and forecast values.

In particular, in the hypothetical circumstance in which the Football Association would be forced to interrupt the sporting season again or to cancel it or to extend the current containment measures for the entire duration of the championship and / or to adopt further measures, a negative reflex could emerge mainly on residual proceeds deriving from television rights and sponsorships, as well as on proceeds from ticketing. Further uncertainties could emerge with reference to the determination of the market value of players' registration rights, as well as the value connected to the transfer operations of part of these long-term rights provided for in the Budget Data, which could be affected, by the reference context, by a potential reduction in investments in the sector. In the presence of such hypothetical circumstances, the timing for overcoming the recorded capital deficit will be specifically assessed in the context of the unpredictable reference context in accordance with the applicable regulatory scenario. Therefore, AS Roma will continue to monitor the evolution of the factors taken into consideration, so as to be able to take, where necessary, the most appropriate corrective decisions and actions, if necessary, including the contribution of the financial and capital resources through the indirect controlling shareholder RRI as mentioned above.

It should also be noted that the participation of the First Team in the various national and European competitions requires compliance with certain economic and financial requirements, as set by the Federal Council of the FIGC, as well as compliance with the set of rules and monitoring criteria laid down by the UEFA regulations, based in particular on three pillars: the going concern, the so-called Break-even rule, and the absence of overdue debts to other clubs, players or social security and tax authorities. In this regard, it should be noted that the Budget Data require a series of actions that will allow the First Team to take part in the various national and European sports competitions, and that, at the date of publication of this Report, the wages and salaries for September 2020 have been paid to Club members, current and accrued taxes and withholding taxes have been regularly paid and there are therefore no tax payables due, and all payables due to other clubs at 30 September 2020 have also been paid.

After having carried out the necessary checks and assessed the uncertainties described above, on the basis of the considerations illustrated above, and in particular the assessment of the players' registration rights, available for transfer to third parties, of the amount of the systematically realized capital gains in recent years, the contribution of additional financial and equity resources expected by the main

controlling shareholder, through RRI, who already stated formally his commitment for at least twelve months from the date of issuance of the consolidated financial statements, as well as the cash flows expected from the continuation of sports competitions, AS Roma believes that there is a reasonable expectation to finalize the aforementioned actions to the extent necessary to ensure adequate management of capital and financial resources and its ordinary cash requirements.

Therefore, the Financial statements have been prepared on a going-concern basis.

In any case, the Company will continue to constantly monitor the evolution of the emergency situation related to the spread of the COVID-19 virus, in view of both the changing regulatory framework and the complex global economic environment, in order to assess the possible adoption of further measures to protect the health and well-being of its Club members, employees and collaborators, and to protect its sources of income and its assets.

Intangible assets

IAS 38 (Intangible Assets) defines intangible assets as identifiable non-monetary assets without physical substance. These assets are defined as resources and, therefore, can be recorded in financial statements in the event that, apart from fulfilling the requirement of identifiability, they are controlled by a company as a result of past events, and they are likely to generate future economic benefits for the latter.

The condition of identifiability is satisfied if the intangible asset:

- is separable, that is to say it is capable of being separated, unbundled from the entity in question and sold, transferred, licensed, leased or exchanged, either individually or jointly with the related contract, asset or liability; or
- arises from a contractual or other legal right, regardless of whether these rights are transferable or separable from the company, or from other rights and obligations.

The company controls an asset if it has the ability to take advantage of the future economic benefits arising from said resource and can also limit third parties' access to these benefits. This ability usually arises from the existence of exclusive legal rights, but is not limited to the existence thereof, since the company might be able to control future economic benefits in some other way.

A further condition is the asset's capacity to generate future economic benefits, which can either be revenues, cost reductions, or benefits accruing from the direct use thereof in the company's business activities. The asset is recorded, therefore, when there is a likelihood of future economic benefits accruing thereto, which are measured by using reasonable and sustainable assumptions representing management's best estimate of the economic conditions that will exist during its useful life. This assessment is carried out on the date on which said asset is acquired.

The Intangible Assets recorded in the Financial Statements mainly consist of:

Library AS Roma.

The asset refers to the archive of audiovisual products (sequences of images relating to AS Roma) and the related rights acquired by RAI in 2007. The Library is to be considered an intangible asset with a finite useful life and is valued at cost and amortized systematically on a straight-line basis with reference to its useful life estimated at a residual 88 years.

Regardless of the presence of any indicators of impairment, the Company carries out an impairment test on the value of the Library at least annually, determining the recoverable value in the sense of "value in use" and therefore estimating the recoverable value of the Library on the basis of its ability to generate future cash flows.

Other intangible assets

Other intangible assets are recorded according to the cost criterion, which includes any ancillary charges that are directly attributable to the company and are systematically depreciated on a straight-line basis with reference to their useful life, understood as being an estimate of the period in which the assets will be used by the company.

Property, Plant and Equipment

The IAS 16 Accounting Standard (*Property, Plant and Equipment*) states that Property, Plant and Equipment consist of goods that are held for use in the production or supply of goods or services, or for administrative purposes and are, therefore, neither held for sale nor for real estate investment purposes. Therefore, this item includes:

- costs paid in advance or suspended over multiple financial years the allotment of which is set to contribute to the business income and statement of financial position over several consecutive financial years;
- tangible assets and advance payments made to suppliers against purchasing said tangible assets with a multi-year economic utility.

Property, Plant and Equipment are recorded as assets when:

- it is probable that future economic benefits associated with the asset will accrue to the undertaking; and
- the cost of the asset can be measured reliably.

The requirement as to the certainty of enjoying the future economic benefits accruing to an asset is usually linked to all of the risks and benefits associated with the asset that is being transferred.

Property, Plant and Equipment are initially measured at cost, which includes, in addition to the purchase price or production cost, ancillary charges that are directly attributable thereto or that are necessary to make the assets ready for the use for which they were purchased.

After the initial recognition, the evaluation can be carried out according to the cost model or the revaluation model chosen by the company, applying the chosen policy to an entire class of Property, Plant and Equipment. Under the cost model, the item is carried at its cost, less any accumulated depreciation and any impairment losses.

Under the revaluation model, an item, the fair value of which can be measured reliably is carried at a revalued amount, which is its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

The company adopts the cost method and, therefore, the value of an asset recorded at cost in the financial statements is adjusted in light of the systematic depreciation thereof from the date it is available and ready for use, based on its useful life. Systematic depreciation is defined in the amortization plan on the basis of following items: (i) value to be depreciated; (ii) duration of the depreciation; (iii) criteria for distributing the value to be depreciated.

The following rates apply to the estimated useful life of the following categories of assets:

Buildings (leasehold improvements)	Depreciation on the basis of the contractual duration
Generic plants	10%
Technical equipment	15,5%
Electronic equipment	20%
Office furniture and equipment	12%
Heavy duty vehicles	20%

Motor vehicles 25%

The residual value and useful life of tangible assets are reviewed annually and updated, where necessary, at the end of each financial year. The book value of an asset is kept in the financial statements to the extent that there is evidence that this value can be recovered through the use thereof. In determining the possibility that accounting values higher than the value that can be recovered exist, each significant element of the fixed asset is evaluated separately, based on its useful life. Several items, the estimated useful life of which is similar, can, however, be grouped together.

Costs connected with extending, modernizing or improving structural elements can be capitalized solely to the extent that they meet the requirements for being classified separately as an asset, or part of another asset.

Costs incurred in conducting ordinary maintenance and repairs, and in maintaining the assets efficient so as to guarantee the useful life thereof and the originally envisaged production capacity are recorded as costs in the financial year in which they are incurred.

Financial assets

Financial assets, recognized under Current and non-current assets on the basis of their maturity and the forecast regarding the time in which they will be converted into monetary assets.

The provisions of IFRS 9 relating to the classification and valuation of financial assets provide for the following categories: (i) financial assets measured at amortized cost; (ii) financial assets measured at fair value with imputation of the effects in other comprehensive income (hereinafter also OCI); (iii) financial assets measured at fair value with the effects recognized in the Comprehensive Income Statement.

The classification of a financial asset representative of a debt instrument depends on the characteristics of the cash flows deriving from the financial activity and the business model adopted. In particular, financial assets that generate contractual cash flows exclusively representing payments of principal and interest are valued at amortized cost if held for the purpose of collecting the contractual cash flows (so-called business model held to collect); differently, they are measured at fair value with recognition of the effects in OCI (hereinafter also FVTOCI) if the business model provides for the possibility of making sales before the expiry of the financial instrument (so-called Business model held to collect and sell).

Trade receivables and other receivables

Trade receivables and other receivables, included among current or non-current assets at the time of initial recognition, at fair value and, subsequently, at amortized cost based on the effective interest rate method based on the effective interest rate. If there is objective evidence of impairment indicators, the asset is reduced to such an extent as to be equal to the present value of the cash flows expected from it.

In particular, provisions for impairment of trade receivables or other receivables are made when there is objective evidence that the Company will not be able to collect the entire amount of the credit claimed. The amount of the provision is equal to the difference between the book value of the credit and the present value of the expected cash flows, calculated at the effective interest rate. If in subsequent periods the reasons for the previous write-downs cease to exist, the value of the assets is restored up to the value that would have resulted from the application of the amortized cost if the write-down had not been made.

Cash at bank and on hand

Cash at bank and on hand, which consist of actually existing funds and which are recorded as Current assets in the balance sheet, consist of: (i) cash; (ii) instruments that can be assimilated thereto; (iii) existing bank cheques and bankers' draft held by the main cashier; (iv) deposits with banks and credit institutions in general, available for current transactions; (v) postal accounts;

Provisions for risks and charges

Provisions for risks and charges are recorded when losses occur and charges of a specific nature that certainly or probably exist are incurred, whose amount and/or date of occurrence cannot, however, be determined at the end of the financial year. Provisions are posted for accounting purposes in accordance with IAS 37, when:

- the company is bound by a current (legal or implied) obligation as a result of a past event;
- it is probable that economic resources will have to be used to satisfy this obligation;
- it is possible to reliably estimate the amount necessary to fulfil the said obligation.

The Provisions are made on the basis on the Directors' best estimates of the amounts needed to settle outstanding obligations at the reference date.

Severance indemnity provision

A.S. Roma Group uses only pension schemes that fall into the category of defined contribution plans. The only form of benefit that is provided to employees after the employment relationship has come to an end is the Employees' Severance Indemnity (TFR, as per Italian acronym) to which they are entitled under the law, namely Article 2120 of the Italian Civil Code.

In compliance with the IAS 19 Accounting Standard, this benefit is envisaged by the defined contribution plans, whereby the company undertakes to provide the agreed benefits to current and former employees, taking upon itself the actuarial risks connected with such plan (i.e. that the benefits are lower than those predicted), as well as the investment risks connected therewith (i.e. that the assets that have been invested are not enough to provide the benefits predicted). Therefore, the cost of this plan is not defined on the basis of the contributions due for the year, but is determined on the basis of demographic assumptions, statistics and salary trend forecasts.

In accordance with the provisions of IAS 19, the amount of the liability for future benefits recorded in the Balance Sheet is the current value of the obligation at the Consolidated Financial Statements' closing date, which is increased by any net actuarial profits that have accrued thereto after the following have been deducted: (i) any social security costs that have been incurred in connection with past services that have not yet been recorded; (ii) the fair value, as of the Consolidated Financial Statements' reference date, of the assets (if any) that will be used for the purpose of directly discharging the obligations envisaged under the plan.

Employees' Severance Indemnities are determined by applying the actuarial method. The rights accrued by the said employees during the financial year in question are recorded in the Profit and Loss Account in the Labor Costs item, whereas the figurative financial charge that the company would incur if it borrowed an amount equal to the Employees' Severance Indemnity is recorded as a Financial Charge. Actuarial gains and losses, which reflect the effects of changes in the actuarial assumptions on which the Company has based its calculations, are recorded in the Overall Profit and Loss Account, taking into account the residual average working life of employees.

For some categories of professional sportsmen and corporate executives, only the liabilities for the accrued Employees' Severance Indemnities still held by the company are recorded, for the purposes of IAS 19, since the Severance Indemnities accruing after the enactment of the Italian Budget Law No. 296 of 27 December 2006 have been conferred, in whole or in part, to a separate entity (Managers' Social Security Fund - Previdai). As a result of these payments, with reference to the said amounts that have been conferred, the company will no longer have obligations in connection with the work performed in the future by the employees in question (*Defined contribution plan*).

Financial liabilities

Financial liabilities are initially recognized at fair value, net of any directly attributable transaction charges. After initial recognition, financial liabilities are measured with the amortized cost method, using the effective interest rate method.

Commercial liabilities, whose maturity falls within the normal commercial terms or for which there are no significant financial components, are not discounted.

If there is a modification of one or more elements of an existing financial liability (also through replacement with another instrument), a qualitative and quantitative analysis is carried out in order to verify whether this modification is substantial compared to the contractual terms already in place. . In the absence of substantial changes, the difference between the current value of the flows as modified (determined using the instrument's original effective interest rate) and the book value of the instrument is recognized in the Comprehensive Income Statement, with consequent adjustment of the value of the financial liability and re-determination of the effective interest rate of the instrument; if substantial changes occur, the existing instrument is canceled and the fair value of the new instrument is recognized at the same time, with the relative difference being recognized in the comprehensive income statement.

Cancellation of financial instruments

Financial instruments are no longer shown in the financial statements when, as a result of their sale or settlement, the Group is no longer involved in their management, nor holds the risks and benefits relating to these transferred or extinguished instruments and therefore loses the right to receive / payment of cash flows associated with the financial instrument.

Current and deferred taxes

Current taxes are calculated based on the estimated taxable income for the financial year in question, and the current tax rates are accordingly applied.

Deferred taxes are calculated on all the assets and liabilities' temporary balances (i.e. the difference between the value thereof calculated for tax purposes and book value thereof recorded in the Consolidated Financial Statements). Deferred taxes are calculated using the rates that are reasonably expected to be applied when the deferred tax assets are converted into cash or the liabilities are paid. More specifically, deferred tax assets are posted in the accounts to the extent that it is forecasted that there will in all likelihood be future taxable income sufficient to offset the temporary balances when they are being written off.

Revenues and costs

Revenues and costs are recognized to the extent that it is probable that economic benefits will flow or flow to the Group and their amount can be reliably determined. Revenues are recognized, in accordance with IFRS 15, at the fair value of the amount received net of returns, discounts, allowances and recognized according to the accruals criterion. Costs are recognized in compliance with the principle of inherence in economic competence.

Payments and balances in foreign currency

Payments in foreign currencies are converted at the exchange rate applied on the date of payment. Exchange rate gains and losses arising from such payments and from the conversion of monetary assets and liabilities in foreign currency at the exchange rates applied at the end of the period are posted in the Profit and Loss Account.

The balances arising from the conversion of non-monetary assets or liabilities are posted in the Capital and Reserves or the Profit and Loss Account depending on whether the profits or losses connected with the evaluation of these items are posted directly in the Capital and Reserves or the Profit and Loss Account.

3.2. IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JULY 2019

The following accounting standards, amendments and IFRS interpretations were, starting from 1 July 2019, applied for the first time by the Group:

IFRS 16 - Leases

On 13 January 2016, the IASB issued the **IFRS 16 – Leases** standard, that replaces the IAS 17 – *Leases* standard, as well as the IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases—Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease* interpretations. The Standard provides a new definition of lease and introduces a criterion based on the notion of control (right of use) of an asset to distinguish the lease agreements from the agreements for the provision of services, identifying as factors characterising leases: the identification of the asset, the right to replace it, the right to obtain substantially all the economic benefits deriving from the use of the asset and, finally, the right to manage the use of the asset underlying the agreement.

The Standard establishes a single model of recognition and evaluation of the lease agreements for the lessee, which provides for the recording of the asset subject to lease, even in the case of operating lease, in the assets with a financial debt as counter-entry. Conversely, the Standard does not introduce significant changes for lessors.

The adoption of this amendment had no effect on the financial statements of the Company.

Annual Improvements to IFRSs 2015-2017 Cycle

On 12 December 2017, the IASB published the document “**Annual Improvements to IFRSs 2015-2017 Cycle**”, that contains proposed amendments to some standards as result of the IASB’s annual improvements project. The main amendments concern:

- IFRS 3 *Business Combinations* and IFRS 11 *Joint Arrangements*: the amendment clarifies that, when an entity obtains control of a business that represents a joint operation, it must remeasure the interest previously held in that business. Instead, this process is not envisaged in the case of obtaining joint control.
- IAS 12 *Income Taxes*: the amendment clarifies that all tax effects related to dividends (including payments on financial instruments classified within shareholders’ equity) should be accounted for in a manner consistent with the transaction that generated those profits (income statement, OCI or equity).
- IAS 23 *Borrowing costs*: the amendment clarifies that, in the case of loans that remain outstanding even after the qualifying asset is ready for use or sale, they become part of the set of loans used to calculate the financing costs.

The adoption of this amendment had no effect on the financial statements of the Company.

Plant Amendment, Curtailment or Settlement (Amendments to IAS 19)

On 7 February 2018, the IASB published the document “**Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)**”. The document clarifies how an entity should recognise a change (i.e., a curtailment or settlement) to a defined benefit plan. The amendments require the entity to update its assumptions and remeasure the net liability or net asset arising from the plan. The amendments clarify that after the occurrence of such an event, an entity uses updated assumptions to measure the current service cost and interest for the remainder of the reporting period following the event.

The adoption of this amendment had no effect on the financial statements of the Company.

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

On 12 October 2017, the IASB published the document “**Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)**”. This document clarifies the need to apply IFRS 9, including impairment

requirements, to other long-term interests in associates and joint ventures for which the equity method is not applied.

The adoption of this amendment had no effect on the financial statements of the Company.

Uncertainty over Income Tax Treatments (IFRIC Interpretation 23)

On 7 June 2017, the IASB issued the "***Uncertainty over Income Tax Treatments (IFRIC Interpretation 23)***" interpretation. The interpretation addresses the issue of uncertainties about the tax treatment to be adopted in the area of income taxes. More specifically, the Interpretation requires an entity to analyse uncertain tax treatments (individually or as a whole, depending on the characteristics) assuming that the tax authority examines the tax position in question, having full knowledge of all relevant information. If the entity considers it unlikely that the tax authority will accept the tax treatment followed, the entity shall reflect the effect of the uncertainty in measuring its current and deferred income taxes. In addition, the document does not contain any new disclosure requirements but stresses that the entity must determine whether it will be necessary to provide information about management's considerations regarding the uncertainty inherent in accounting for taxes in accordance with the provisions of IAS 1. The new interpretation has been applied since 1 July 2019.

The adoption of this amendment had no led to the reclassification of the provisions for risks recognised for uncertain tax positions under Tax payables.

IFRS 9 "Prepayment Features with Negative Compensation"

On 12 October 2017, the IASB published an amendment to **IFRS 9 "Prepayment Features with Negative Compensation"**. This document specifies that instruments providing for early repayment could comply with the *Solely Payments of Principal and Interest ("SPPI")* test even if the "reasonable additional compensation" to be paid in the event of early repayment is a "negative compensation" for the lender.

The adoption of this amendment had no effect on the financial statements of the Company.

3.3. IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORILY APPLICABLE AND NOT ADOPTED IN ADVANCE BY THE GROUP AS AT 30 JUNE 2020.

Definition of Material (Amendments to IAS 1 and IAS 8)

On 31 October 2018, the IASB published the document "***Definition of Material (Amendments to IAS 1 and IAS 8)***". The document introduced an amendment to the definition of "material" contained in IAS 1 - *Presentation of Financial Statements* and IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*. The purpose of this amendment is to make the definition of "material" more specific and to introduce the concept of "obscured information" alongside the concepts of omitted or misstated information already present in the two standards being amended. The amendment clarifies that information is "obscured" if it has been described in such a way as to produce for the primary readers of a financial statement an effect similar to that which would have occurred if the information had been omitted or misstated.

The amendments introduced were approved on 29 November 2019 and apply to all transactions after 1 July 2020.

Directors do not expect that the adoption of such amendment will have a significant effect on the financial statements of the Company.

References to the Conceptual Framework in IFRS Standards

On 29 March 2018, the IASB published an amendment to the "***References to the Conceptual Framework in IFRS Standards***". The amendment is effective for periods beginning on or after 1 July 2020, but early application is permitted.

The Conceptual Framework defines the fundamental concepts for financial reporting and guides the Board in the development of IFRS standards. The document helps to ensure that the Standards are

conceptually consistent and that similar transactions are treated in the same way so as to provide useful information to investors, lenders and other creditors.

The Conceptual Framework supports companies in developing accounting standards when no IFRS standard is applicable to a particular transaction and, more generally, helps stakeholders to understand and interpret the Standards.

Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform

On 26 September 2019, the IASB published an amendment called "**Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform**". The same amends IFRS 9 - *Financial Instruments* and IAS 39 - *Financial Instruments: Recognition and Measurement* as well as IFRS 7 - *Financial Instruments: Disclosures*. More specifically, the amendment changes some of the requirements for the application of hedge accounting, providing for temporary derogations to the same, in order to mitigate the impact of the uncertainty of the IBOR reform (still in progress) on future cash flows in the period prior to its completion. The amendment also requires companies to provide additional information in their financial statements on their hedging relationship which are directly affected by the uncertainties generated by the reform and to which the above derogations apply. The amendments will enter into force on 1 July 2020, but companies may opt for earlier application.

Directors do not expect that the adoption of such amendment will have effects on the financial statements of the Company.

3.4. IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION

As at the reference date of this document, the competent EU authorities have not yet completed the approval process required to adopt the amendments and standards described below.

Definition of a Business (Amendments to IFRS 3)

On 22 October 2018, the IASB published the document "**Definition of a Business (Amendments to IFRS 3)**". The document provides some clarifications on the definition of a business for the correct application of IFRS 3. More specifically, the amendment clarifies that while a business usually produces an output, the presence of an output is not strictly necessary to identify a business when there is an integrated set of activities/processes and assets. However, to meet the business definition, an integrated set of activities/processes and assets must include, as a minimum, a substantial input and process that together contribute significantly to the ability to create an output. To this end, the IASB has replaced the term "ability to create outputs" with "ability to contribute to the creation of outputs" to make it clear that a business can exist even without the presence of all the necessary inputs and processes to create an output.

The amendment also introduced an optional test ("*concentration test*"), which makes it possible to exclude the presence of a business if the price paid is substantially attributable to a single asset or group of assets. The amendments apply to all *business combinations* and acquisitions of assets after 1 July 2020, but early application is permitted.

The directors do not expect that the adoption of such amendment will have effects on the financial statements of the Company.

4. MAIN UNCERTAINTY ELEMENTS IN PERFORMING FINANCIAL STATEMENTS' ESTIMATES

Preparing the Annual financial report requires that the Management performs estimates and assumptions that have an impact on the assets and liabilities' value and on the disclosure concerning potential assets and liabilities as at the reference date. Estimates and assumptions used are based on experience and on other elements deemed significant. The results that will be reported may differ from such estimates. Estimates and assumptions are periodically assessed, and effects of any change are immediately reported in the Comprehensive Income Statement.

The most significant financial statement items requiring a greater degree of subjectivity are the Library, the A.S. Roma trademark, and the provisions for risks.

LIBRARY

The Library, recorded under intangible assets, is evaluated at least once a year in order to identify any indicators of impairment. The recoverable value of the Library is represented by the greater of fair value and value in use, determined by discounting expected future cash flows quantified in light of information available at the time of the estimate, based on estimates of future variables, and are discounted using a pre-tax discount rate that reflects the current market valuation of the cost of money in relation to the period of the investment and the specific risks of the asset. An impairment loss is recognised in the Income Statement if the book value of the asset is greater than its recoverable value.

Impairment losses, if there is an indicator that the impairment loss no longer exists or when there has been a change in the valuation used to determine the recoverable value, are reversed within the limits of the relevant recoverability and the cost originally recorded.

TRADEMARK

The A.S. Roma Trademark, recorded under intangible assets, is evaluated at least once a year in order to identify any indicators of impairment. The recoverable value of the Trademark is represented by the greater of fair value and value in use, determined by discounting expected future cash flows quantified in light of information available at the time of the estimate, based on estimates of future variables, and are discounted using a pre-tax discount rate that reflects the current market valuation of the cost of money in relation to the period of the investment and the specific risks of the asset. An impairment loss is recognised in the Income Statement if the book value of the asset is greater than its recoverable value.

Impairment losses, if there is an indicator that the impairment loss no longer exists or when there has been a change in the valuation used to determine the recoverable value, are reversed within the limits of the relevant recoverability and the cost originally recorded.

PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are recorded in connection with specific losses and charges, established as existing or likely to exist, of which, however, on the financial year's closing, the amount and/or the date of occurrence cannot be determined. Provisions are recognised in accordance with IAS 37 when (i) the company is subject to a present obligation (legal or constructive) as a result of a past event; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount required to settle the obligation can be reliably estimated.

Provisions could involve the Management's use of accounting estimates based on Directors' historical knowledge concerning similar liabilities incurred in previous periods and current knowledge as to the obligation's status, with support from the Company's legal counsel.

5. RELATIONS WITH RELATED PARTIES

The Company has both commercial relationships as well as relationships for the provision of services of an administrative and financial nature with related parties, meaning as such the parties defined by the international accounting standard IAS 24 - adopted according to the procedure set out in Article 6 of EC Regulation No. 1606/2002 - (hereinafter, "Related Party Transactions").

Transactions with related parties, identified in accordance with the provisions of IAS 24 and set out below, refer to transactions of a commercial and financial nature, and were carried out at arm's-length

conditions, or similar to those usually applied to unrelated parties for transactions of a similar nature, amount and risk, and in compliance with current legislation.

In particular, the Company's activity is currently mainly characterised by the management of the following agreements:

- business lease with Soccer;
- Indenture;
- intercompany loan agreements signed as lender with Soccer as borrower;
- intercompany loan agreements signed as lender with AS ROMA as borrower;
- agreements entered into to guarantee the Bond.

In particular to the convenience and correctness of the Bond Loan Transaction and related related transactions, the Internal Committee for Control and Risk Management of AS Roma, based on the opinion issued by Prof. Tiscini on 24 July 2019, found the convenience of the Transaction represented by the possibility for the Company to: (i) meet the needs connected with its operational management in the medium - long term; (ii) stabilize the financial performance of the Company; (iii) limiting the need to resort to short-term forms of financing; (iv) facilitate the economic and financial planning of the Company and the Group. The Internal Committee for Control and Risk Management of AS Roma, on 24 July 2019, unanimously expressed a reasoned favorable opinion on the completion of the operations functional to the issue of the Bond Loan.

Other related-party transactions relate to the following:

- Tax Consolidation: the Company, and the other companies of the AS Roma Group adhere to the National Tax Consolidation regime on the basis of the agreements for the exercise of the option for group taxation in accordance with Article 117 et seq. of the Consolidated Income Tax Act approved by Presidential Decree No. 917 of 22 December 1986 and the Ministerial Decree of 9 June 2004. National Tax Consolidation provides for a single taxable base for IRES purposes determined by the algebraic sum of the tax profits and losses of all the companies participating in it and allows AS Roma and the other companies in the Issuer's group participating in it to benefit from advantages of a financial nature, determined mainly by the possibility of offsetting tax profits and losses with a large number of parties, as well as advantages of an economic nature, deriving from the possibility of being able to sell, for a price, part of the tax losses that cannot be used. The tax consolidation regime currently in force includes the parent company NEEP together with its subsidiaries AS Roma, MediaCo, Roma Studio S.r.l., Brand Management, A.S. Roma Real Estate and TdV Real Estate.
- Group VAT: since January 2017, the parent company NEEP, together with its subsidiaries AS Roma, Soccer, MediaCo, Roma Studio, Brand Management, A.S. Roma Real Estate and Stadio TDV, adhere to the NEEP Group VAT settlement procedure, settling payments with the parent company NEEP.

Related party transactions relate more specifically to the following:



Assets and liabilities with related parties:

(€/000)	Non Current assets	Current Assets			TOTAL ASSETS
	Financial assets	Financial assets	Trade receivables	Other activities	
AS Roma S.p.A.	68.518	11.783	1.418	-	81.720
Soccer SAS	241.979	-	-	-	241.979
Neep Roma Holding S.p.A.	-	-	-	3	3
Total assets	310.497	11.783	1.418	3	323.701
<i>Total in financial statements</i>	<i>320.410</i>	<i>11.783</i>	<i>8.250</i>	<i>16</i>	
<i>% incidence</i>	<i>97%</i>	<i>100%</i>	<i>17%</i>	<i>19%</i>	

(€/000)	Current Liabilities		TOTAL LIABILITIES
	Trade payables	Other payables	
AS Roma S.p.A.	(207)	(15.818)	(16.025)
Soccer SAS	(173)	(42.991)	(43.164)
Neep Roma Holding S.p.A.	-	(1.911)	(1.911)
Total liabilities	(381)	(60.720)	(61.101)
<i>Total in financial statements</i>	<i>(460)</i>	<i>(60.720)</i>	
<i>% incidence</i>	<i>83%</i>	<i>100%</i>	

Economic transactions with related parties:

(€/000)	Other revenues	Financial revenues	TOTAL
AS Roma S.p.A.	0	3.520	3.520
Soccer SAS	22.700	10.928	33.628
Total	22.700	14.448	37.148
<i>Total in financial statements</i>	<i>22.702</i>	<i>14.448</i>	
<i>% incidence</i>	<i>100%</i>	<i>100%</i>	

In particular:

TRANSACTIONS BETWEEN MEDIACO AND AS ROMA

- Financial receivables relating to the intercompany loan agreement, including interest accrued during the year, amounting to EUR 80,302 thousand of which EUR 68,518 due after 12 months and EUR 11,783 due within 12 months, up EUR 60,519 following the signing of the new intercompany loan agreement following the issuance of the Bond;
- Trade receivables from assigned Indirect Media Rights, collected by AS Roma and not yet paid to the Company, amounting to EUR 1,418 thousand (EUR 2,686 thousand as at 30 June 2019);
- Invoices received and not yet paid, amounting to EUR 207 thousand (EUR 0 thousand as at 30 June 2019);
- Other Liabilities for a total of EUR 15,818 thousand, of which Payables for Indirect Media Rights transferred and not yet paid for EUR 10,547 thousand; infra-group VAT Payables of EUR 4,307 thousand, equal to the amount paid in advance during the financial year by AS Roma to the parent company Neep for the payment of the Company's VAT settlements, outstanding at 30 June 2020; Payables for dividends for the financial years ended 30 June 2019, not paid and amounting to EUR 963 thousand (EUR 2,637 thousand at 30 June 2019 for the financial years ended 30 June 2017 and 2018).
- Interest on intercompany loans for EUR 3,520 thousand (EUR 514 thousand as at 30 June 2019).

TRANSACTIONS BETWEEN MEDIACO AND SOCCER

- Receivables due after the financial year has ended concerning the Intercompany Loan Agreement, including interest accrued, equal to EUR 241,979 thousand (EUR 222,862 thousand as at 30 June 2019);
- Payables for collected receivables assigned and not yet paid, amounting to EUR 141 thousand (EUR 113 thousand as at 30 June 2019);
- Payables for receivables from Direct Media Rights assigned, as share not included in the transferred business unit, collected and not yet paid, amounting to EUR 33 thousand (EUR 80 thousand as at 30 June 2019);
- Payables for dividends relating to the financial year ended at 30 June 2015 to 30 June 2019, not yet paid, amounting to EUR 42,991 thousand (EUR 35,458 thousand as at 30 June 2019).
- Revenues from the business unit lease amounting to EUR 22,700 thousand (EUR 22,700 thousand as at 30 June 2019);
- Interest on intercompany loans for EUR 10,928 thousand (EUR 13,401 thousand as at 30 June 2019).

TRANSACTIONS BETWEEN MEDIACO AND NEEP ROMA HOLDING S.P.A.

- Receivables for infra-group VAT amounting to EUR 3 thousand, assigned as a result of participating in the VAT Group, in force since 2017.
- Payables for IRES concerning the financial year amounting to EUR 1,911 thousand (EUR 2,900 thousand as at 30 June 2019), charged upon the Group's holding company Neep Roma Holding Spa under the National Tax Consolidation;

6. OTHER INFORMATION

For an analysis of the economic performance of the company's activities, financial and equity aspects, and significant events occurring after the end of the year, reference should be made to the Report on operations, which is attached to these Explanatory Notes.

7. INFORMATION ON ITEMS IN THE STATEMENT OF FINANCIAL POSITION

7.1. INTANGIBLE ASSETS

Intangible assets amounted to 139,111 thousand Euro as at 30 June 2020 (139,306 thousand Euro as at 30 June 2019), and register a decrease equal to 195 thousand Euro in the year due to amortisation for the period:

€ / 000	30/06/2020	30/06/2019	30/06/2018
Starting value	139.306	139.522	139.738
Depreciation	(195)	(216)	(216)
FINAL VALUE	139.111	139.306	139.522

They mainly consist of the AS Roma trademarks and the AS Roma Library:

€/000	30/06/2020	30/06/2019	Differences
AS Roma Trademarks	123.107	123.107	-
Library AS Rome	15.628	15.818	(190)
Library capitalization	377	381	(5)
TOTAL	139.111	139.306	(195)

- the AS Roma Trademarks were recognised in the financial statements following the transfer of the

“Soccer Going Concern” Business Unit on 11 February 2015, as shown in the sworn expert’s report. They are considered intangible non-current assets with an indefinite useful life, taking into account that it is not foreseeable to what extent these assets will cease to generate cash inflows for the Company, and therefore are not subject to amortisation, but to an impairment test, in accordance with IAS 36, annually, and whenever the conditions are met. Therefore, the value of the commercial exploitation rights of the trademarks of AS Roma was subjected to an impairment test as of 30 June 2020, with the support also of an estimate of the recoverable value, prepared by an independent expert. As this recoverable amount was higher than the carrying amount, no write-down was necessary.

The estimate of the recoverable value was based on the actualisation of the expected income flows, which reliably approximate the financial flows. The estimate of the expected flows took into account the forecast of the profit for the current season and a full-scale projection determined by the attribution to the trademark of a portion of the company’s rent received by the company, proportional to the margin generated for the tenant. The WACC discount rate takes into account the current capital market conditions, the specific risk of the business and the financial structure of the AS Roma Group at the reference date of the estimate. The WACC amounted to 6%. A sensitivity analysis was conducted on the basis of which a 10% negative variance of WACC and revenues would not result in value reductions.

It should be noted that following the Bond transaction carried out in August 2019, a first-degree pledge, granted by the Company, has been registered on the initial and future intellectual property of the AS Roma trademark and its derivations, in favour of the Guaranteed Creditors, to guarantee the due and unconditional fulfilment of the Guaranteed Obligations, as defined in the relevant agreement.

- the AS Roma Library is related to the exclusive rights acquired from RAI in 2007 for the commercial exploitation and economic use of all images of AS Roma’s home matches and everything directly related to them, present in RAI’s archives. The Capitalisation of the Library includes, instead, the valorisation of the multimedia content produced. The Library was deemed to have a finite useful life, with reference to the period in which they might possibly be exploited, equal to another 86 years. The Library is tested annually for impairment to determine its recoverable value within the meaning of “Value in Use” and, therefore, to estimate its recoverable value based on its ability to generate future cash flows.

The table below details the changes that occurred during the period:

€/000	Value at 30 June 2018	Depreciation	Value at 30 June 2019	Depreciation	Value at 30 June 2020
AS Roma Trademarks	123.107	-	123.107	-	123.107
Library AS Rome	16.000	(182)	15.818	(190)	15.628
Library capitalization	385	(4)	381	(4)	377
TOTAL	30	(30)	-	-	-
TOTAL	139.522	(216)	139.306	(195)	139.111

7.2. TANGIBLE ASSETS

Tangible assets amounted to 15 thousand Euro for the year to 30 June 2020 (27 thousand Euro for the year to 30 June 2019), with a decrease of 12 thousand Euro in the financial year due to depreciation for the period:



€/000	30/06/2020	30/06/2019	Differences
Plants and equipment	3	7	(4)
Industrial and commercial equipment	2	5	(3)
Other assets	9	15	(5)
TOTAL	15	27	(12)

The table below details the changes that occurred during the period:

€/000	Value at 30 June 2018	Depreciation	Value at 30 June 2019	Depreciation	Value at 30 June 2020
Plants and equipment	11	(4)	7	(4)	3
Industrial and commercial equipment	8	(2)	6	(4)	2
Other assets	20	(7)	14	(4)	9
TOTAL	39	(13)	27	(12)	15

Tangible assets are not encumbered by mortgages.

7.3. NON-CURRENT AND CURRENT FINANCIAL ASSETS

This item amounted to EUR 332,193 thousand as at June 2020 (EUR 259,245 thousand on 30 June 2019) showing an increase of EUR 72,948 thousand in the period.

€/000	30/06/2020			30/06/2019			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Liquidity reserve - Bond loan / Facility agreement	-	9.913	9.913	-	16.601	16.601	-	(6.688)	(6.688)
Intercompany loan - AS Roma	11.783	68.518	80.301	19.782	-	19.782	(7.999)	68.518	60.519
Intercompany loan - Soccer SAS	-	241.979	241.979	-	222.862	222.862	-	19.117	19.117
TOTAL	11.783	320.410	332.193	19.782	239.463	259.245	(7.999)	80.947	72.948

These consist of:

- (i) cash and cash equivalents held in current accounts restricted under the Bond issued on 8 August 2019. It should be noted that, following the early repayment of the Facility Agreement, fully repaid before its natural maturity following the issue of the Bond, the restricted cash and cash equivalents relating to the Facility Agreement were returned to the Company's liquid assets and was partially used, for 9,913 thousand Euro, to set up a similar reserve to guarantee the Bond;
- (ii) the loan granted to AS Roma, increased by 60,519 thousand Euro as a result of the granting of additional cash and cash equivalent to the parent company received as a result of the Bond, amounts to 80,301 thousand Euro (19,972 thousand Euro at 30 June 2019), of which 68,518 thousand Euro with maturity beyond 12 months. More specifically, the loan falling due after 12 months includes a principal amount of EUR 65,461 thousand and interest of EUR 3,057 thousand, determined by applying the same conditions as the Bond, while the loan falling due within 12 months includes a principal amount of EUR 9,677 thousand and interest of EUR 2,106 thousand;
- (iii) the intercompany loan granted to Soccer S.a.s. on February 2015 for EUR 241,979 thousand (EUR 222,862 thousand as at 30 June 2019), relating for EUR 208,351 thousand (EUR 197,013 thousand as at 30 June 2019) to the principal credit and for EUR 33,628 thousand (EUR 25,849 thousand as at 30 June 2019) to interests.

7.4. TRADE RECEIVABLES

These amounted to 8,250 thousand Euro (2,702 thousand Euro as at 30 June 2019), are expressed net of the bad debt provision, and are increased by 5,548 thousand of Euro in the period. These refer to receivables from customers for indirect media rights, managed centrally by LNP Serie A and UEFA, and



receivables from related companies representing trade receivables collected by AS Roma and to be transferred to the Company, by virtue of the commitments assumed in the context of the mentioned several times Bond:

€ / 000	30/06/2020	30/06/2019	Differences
Receivables from customers	9.309	1.872	7.437
Receivables from related companies (AS Roma)	1.418	2.686	(1.268)
Total trade receivables	10.727	4.558	6.169
Bad debt provision	(2.477)	(1.856)	(621)
TOTAL	8.250	2.702	5.548

The bad debt provision, which refers entirely to trade receivables, amounts to EUR 2,477 thousand (1,856 thousand Euro, as at 30 June 2019), up by 621 thousand Euro, due to new write-downs made in the financial year:

€ / 000	
Bad debt provision starting value	1.856
Provisions	621
Uses	-
Bad debt provision final value	2.477

In addition, there is a delay in the collection of receivables from a broadcaster for which a dispute is currently being managed directly by the Lega Serie A. The Company considers this receivable fully recoverable, also considering the opinion of an independent legal expert.

The bad debt provision was determined by applying the expected credit loss model provided for by IFRS 9. The Company applies the simplified approach of IFRS 9 to measure the expected credit loss on all trade receivables. In order to determine the expected credit loss, trade receivables were initially grouped by counterparties, mainly football clubs and other customers, and subsequently by overdue days. The rates on the expected credit loss are based on the collection times and the corresponding historical credit losses during this period. Historical loss rates are adjusted to reflect current and future macroeconomic conditions affecting clients' ability to repay loans. The Company has identified the average default rate of Italian companies as a relevant factor in reference to trade receivables. These factors were used to adjust the historical loss rates recorded.

The following table, furthermore, shows the schedule of trade receivables divided by maturity classes, in accordance with IFRS 7:

€/000	30/06/2020	30/06/2019	Differences
Not expired trade receivables	1.418	-	1.418
Trade receivables up to 30 days overdue	-	-	-
Trade receivables overdue from 31 to 60 days	5.608	-	5.608
Trade receivables overdue from 61 to 90 days	1.194	-	1.194
Trade receivables overdue beyond 90 days	2.506	1.872	634
Receivables from intercompany	-	2.686	(2.686)
Total trade receivables	10.727	4.558	6.169
Bad debt provision	(2.477)	(1.856)	(621)
TOTAL	8.250	2.702	5.548

7.5. OTHER CURRENT ASSETS

Other current assets amount to EUR 16 thousand (EUR 207 thousand at 30 June 2019), showing a decrease of EUR 191 thousand, and consist of prepaid expenses relating mainly to the portion of annual

financial services and fees relating to the financing agreement, invoiced in advance in the financial year but relating to the following financial year.

€/000	30/06/2020	30/06/2019	Differences
Other different credits	3	-	3
Prepayments	13	207	(194)
Total other credits	16	284	(268)
Provisions for bad debts	-	-	-
TOTAL	16	284	(268)

7.6. TAX RECEIVABLES

Tax receivables, amounting to 16 thousand Euro for the year to 30 June 2020 (77 thousand Euro for the year to 30 June 2019), include 12 thousand Euro relating to the 10% IRAP (regional business tax) credit for those entities who did not use employees in the course of their activity.

€/000	30/06/2020	30/06/2019	Differences
Irap	13	74	(61)
Other tax credits	3	3	0
TOTAL	16	77	(61)

7.7. CASH AT BANK AND ON HAND

These amounted to 2,756 thousand Euro as at 30 June 2020 (9,618 thousand Euro as at 30 June 2019), and relate to bank deposits generated by cash flows from current operations. They are made up exclusively of bank deposits, with management methods provided for in the Bond signed in August 2019.

There is a potential restriction on the use of these funds in respect of all bank accounts held in the name of the commitments assumed under the Bond issued by MediaCo on 8 August 2019. It should be made clear that said restriction is triggered only upon certain default events occurring and can be exercised only up to the limit of the existing funds and the outstanding amount owed. As at 30 June 2020, the default events described above had not occurred.

It should also be noted that the Bond provides for a mandatory mechanism for channelling cash receipts and uses to guarantee the due fulfilment of the obligations undertaken, which may temporarily limit the use of cash in bank accounts held in the name of MediaCo. For more information, see the following note no. 9.

7.8. TOTAL SHAREHOLDERS' EQUITY

The Company's Shareholders' Equity amounted to EUR 131,107 thousand (EUR 135,203 thousand at 30 June 2019), showing a decrease of EUR 4,096 thousand due to the resolution to distribute to Shareholders the profit for the previous year, equal to EUR 8,495 thousand, partially offset by the profit generated in this financial year, amounting to EUR 4,399 thousand.

€ / 000	30/06/2020	30/06/2019	Differences
Share capital	200	200	-
Legal reserve	40	40	-
Other reserves	122.147	122.147	-
Profit carried forward	4.320	4.320	(0)
Profit for the year	4.399	8.495	(4.096)
TOTAL	131.107	135.203	(4.096)

Shareholders' Equity, in addition to the profit for the financial year, is composed of:

- the Share Capital, amounting to EUR 200 thousand, of which EUR 23 thousand relates to A.S. Roma, and EUR 177 thousand to Soccer;
- the Legal Reserve of EUR 40 thousand;
- Other Reserves, amounting to EUR 122,147 thousand, including EUR 135,667 thousand from the Contribution Reserve, of which EUR 8,548 thousand is attributable to AS Roma and EUR 127,119 thousand to Soccer; the amounts are shown net of the related deferred tax provision, which is negative for EUR 13,520 thousand;
- Retained earnings, amounting to EUR 4,320 thousand, arising from the application of IFRS 9 to the change in the loan stipulated with Goldman Sachs and Unicredit in June 2017, with an effect of EUR 4,370, partially offset by the estimated expected losses on receivables according to the same IFRS 9.

The information required by Article 2427 No. 7 bis of the Italian Civil Code on the availability and distribution of reserves is summarized in the following table:

€ /000	30/06/2020	Possibility of use	Amount available	Amount used in the last three financial years
Share capital	200	-	-	-
Legal reserve	40	B	(*)	-
Other reserves	122.147	A,B,C	122.147 (**)	-
Profit carried forward	4.320	B	-	-
Profit for the year	4.399	A,C	-	-
TOTAL	131.107		122.147	-

A: coverage of losses; B: capital increase; C: shareholders distribution

(*) The legal reserve is available, it can only be used to cover losses, and after using all the other reserves

(**) Pursuant to the condition 2431 of the Italian Civil Code, the entire amount can be distributed only on condition that the legal reserve has reached the limit established by art. 2430 of the Italian Civil Code

7.9. SHORT-TERM DEBT, LONG-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT

Short and long-term debt, amounting to EUR 267,403 thousand (EUR 202,986 thousand as at 30 June 2019) consist of a current portion, amounting to EUR 5,736 thousand, and payables due beyond 12 months, amounting to EUR 261,667 thousand:

€ /000	30/06/2020			30/06/2019			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Facility Agreement	-	-	-	16.279	186.707	202.986	(16.279)	(186.707)	(202.986)
Bank loan	36	-	-	-	-	-	36	-	36
Bond loan	5.700	261.667	267.367	-	-	-	5.700	261.667	267.367
TOTAL	5.736	261.667	267.367	16.279	186.707	202.986	(10.543)	74.960	64.417

Bond/Facility Agreement

Equal to EUR 267,403 thousand at 30 June 2020, of which EUR 5,700 thousand is maturing in June 2021, relates to the issue of a non-convertible bond issuance with a maximum total value of EUR 275,000 thousand, the proceeds of which, after the deduction of fees and expenses deriving from the transaction, were used (i) to repay in full the outstanding debt in accordance with the loan agreement signed on 12 February 2015, subsequently amended (i.e., Facility Agreement, the debt of which amounted to EUR 202,986 thousand at 30 June 2019), optimising its structure and maturity; and (ii) to provide the Group

with financial resources for its business activities. The remainder of € 36 thousand refers to payables to banks.

It should also be noted that the payable relating to the Bond as at 30 June 2020 is expressed net of directly attributable transaction costs and subsequently valued at amortised cost, using the effective interest rate method. Transaction costs as at 30 June 2020 amounted to EUR 7,633 thousand.

The bonds have a maturity of 1 August 2024, with a *BB-* rating received at issuance from Standard & Poor's (then reduced, as part of the analyses carried out to take account of the effects of the spread of the Covid-19 virus on the AS Roma Group and the football sector in general, on 16 April 2020 to B +, placing it on CreditWatch with negative implications, and on 13 July 2020 to B, with a negative Outlook, removing it from CreditWatch) and an interest rate of 5.125% per annum to be paid half-yearly on 30 June and 31 December of each year. The principal repayment of the Bonds will take place from 31 December 2020 on a half-yearly basis, until 30 June 2024, with a final instalment on 1 August 2024.

The Bonds are also guaranteed by certain covenants, negative pledges and other clauses guaranteeing the loan - usual for similar transactions. For more information, including the degree of compliance with the covenants and any default events that occurred during the year, please refer to the following note n. 9.

7.10. TRADE PAYABLES

Trade payables amount to EUR 460 thousand (EUR 238 thousand as at 30 June 2019) and related to EUR 79 thousand to ordinary suppliers (EUR 45 thousand as at 30 June 2019), wholly for invoices to be received. The remaining amount, amounting to EUR 381 thousand (EUR 193 thousand as at 30 June 2019), is due to Soccer Sas as a result of payment into the Company's bank accounts of holding company invoices, to be reimbursed to it.

€/000	30/06/2020	30/06/2019	Differences
Payables to other suppliers	79	45	34
Payables to related companies	381	193	188
TOTAL	460	238	222

7.11. TAX PAYABLES

These amounted to EUR 0 thousand for the year ended 30 June 2020 (compared with EUR 1 thousand for the year ended 30 June 2019) and consisted of withholding taxes on interest and remuneration to professionals, duly paid in July of this financial year.

7.12. PROVISIONS FOR TAX CHARGES AND DEFERRED TAXES LIABILITIES

Equal to EUR 22,667 thousand at 30 June 2020 (EUR 20,696 thousand at 30 June 2019), recorded provisions for the period totalling EUR 1,971 thousand.

€/000	30/06/2020	30/06/2019	Differences
Starting value	20.696	18.725	1.971
Increases	1.971	1.971	0
Uses	0	0	0
FINAL VALUE	22.667	20.696	1.971

The item relates to the provision for taxes, which will be due in future financial years, generated by temporary differences relating to the amortisation of trademarks, calculated solely for tax purposes and taking into account that the same amount for amortisation of the trademarks is recorded as a reduction

in the taxable income for current taxes (IRES and IRAP) accrued during the financial year.

7.13. OTHER LIABILITIES

Other liabilities amounting to EUR 60,720 thousand (EUR 52,057 thousand as at 30 June 2019), increased by EUR 8,663 thousand in the period, are comprised of:

€/000	30/06/2020	30/06/2019	Differences
Payables to AS Roma for "indirect" credits acquired	10.547	11.062	(515)
Payables to AS Roma - Group VAT	4.307	-	4.307
Payables to shareholders for dividends to be distributed	43.954	38.095	5.859
Payables to NEEP Roma Holding S.p.A. - Tax Consolidation	1.911	2.900	(989)
TOTAL	60.720	52.057	8.663

Payables to AS Roma for "indirect" credits acquired

These amount to EUR 10,547 thousand (EUR 11,062 thousand as at 30 June 2019) and concern the receipt by AS Roma of payments from the invoicing of audio-visual and non-centralised rights by the Lega Professionisti Serie A and participation in UEFA tournaments, as a guarantee for the commitments undertaken with the signing of the aforementioned Bond signed in August 2019. During the financial year, the Company continued to receive payments from the above-mentioned invoices issued by AS Roma and regularly made periodic payments to AS Roma, as provided for in the Indenture.

Payables to AS Roma for VAT advances

This item amounted to EUR 4,307 thousand (EUR 0 as at 30 June 2019) and represents VAT settlements accrued during the financial year by the Company and paid in advance by AS Roma on its behalf to the Group's Parent Company, NEEP Roma Holding Spa, as part of the Group VAT settlement scheme to which the Company adheres.

Payables to Shareholders for dividends to be distributed

This item amounted to EUR 43,954 thousand (EUR 38,095 thousand in June 2019), recording an increase of EUR 5,859 thousand, for the dividend approved by the Shareholders' Meeting of 25 October 2019 equal to EUR 8,496 thousand, relating to the net profit for the financial year closed on 30 June 2019, and net of the payment made to AS Roma on 8 August 2019 for EUR 2,637 thousand. The balance of payables, distributed among the Company's Shareholders, is broken down as follows:

Financial Year	Soccer Sas Quote	AS Roma Quote	Total dividend
2014-2015	3.736	-	3.736
2015-2016	11.107	-	11.107
2016-2017	11.141	-	11.141
2017-2018	9.474	-	9.474
2018-2019	7.532	963	8.496
TOTAL	42.990	963	43.954

Payables to NEEP Roma Holding S.p.A. - Tax Consolidation

These amount to EUR 1,911 thousand (EUR 2,900 thousand as at 30 June 2019) and are the result of participation in the Group's tax consolidation: they relate to the transfer of the IRES payable to the Holding Company. Specifically, the IRES payable outstanding at 30 June 2019, amounting to EUR 2,900 thousand, and the related adjustments that arose when the Holding Company filed its income tax return, were settled during the financial year. Therefore, the balance at the end of the financial year, amounting to EUR 1,916 thousand, relates to the IRES payable in the financial year just ended.

8. INFORMATION ON ITEMS IN THE COMPREHENSIVE INCOME STATEMENT

8.1. TOTAL REVENUES

These totalled EUR 22,702 thousand (EUR 22,774 thousand as at 30 June 2019) and were substantially unchanged during the financial year. A breakdown is set out below:

€/000	For the fiscal year ended,		Differences
	2019-2020	2018-2019	
Proceeds from renting a business unit	22.700	22.700	-
Other different income	2	74	(72)
Total	22.702	22.774	(72)

EUR 22,700 thousand refers to the rent of the business unit to the parent company Soccer Sas, unchanged from the previous financial year, and the residual amount of EUR 2 thousand (74 thousand Euro as at 30 June 2019) is other income.

8.2. COSTS OF SERVICES

Equal to EUR 545 thousand (EUR 234 thousand, as of 30 June 2019), increased by EUR 301 thousand, comprising:

	For the fiscal year ended,		Differences
	2019-2020	2018-2019	
Professional services	(30)	(60)	30
Trademark protection and updating	(176)	(52)	(124)
Board of Statutory Auditors	(18)	(18)	-
Auditing firm	(35)	(19)	(16)
Loan management services	(270)	-	(270)
Other expenses	(17)	(85)	68
Totale	(545)	(234)	(311)

More specifically, there were costs for services relating to the Bond of EUR 270 thousand.

8.3. OTHER EXPENSES

This item amounted to EUR 79 thousand (EUR 11 thousand as at 30 June 2019), an increase of EUR 68 thousand in the financial year, and is broken down as follows:

€/000	For the fiscal year ended,		Differences
	2019-2020	2018-2019	
Indirect tax charges	(4)	(11)	7
Other charges	(74)	-	(74)
Total	(79)	(11)	(68)

Indirect tax charges are made up of stamp duty, registration, Chamber of Commerce and other taxes,

while contingent liabilities relate to an IRAP credit that is no longer collectible.

8.4. DEPRECIATION, AMORTISATIONS, AND WRITE DOWNS

A breakdown of this item, which totalled EUR 827 thousand (EUR 1,781 thousand as at 30 June 2019), decreased by EUR 954 thousand, is provided below:

€ / 000	Fiscal year,		Differences
	2019-2020	2018-2019	
Depreciation of other intangible assets	(195)	(216)	21
Depreciation of fixed assets	(12)	(13)	1
<i>Total depreciation</i>	<i>(206)</i>	<i>(229)</i>	<i>22</i>
Write-downs of current receivables	(621)	(1.553)	931
Total	(827)	(1.781)	954

Write-downs of current receivables amount to EUR 621 thousand (EUR 1,553 thousand at 30 June 2019) and mainly relate to the write-down of customers referring to a former licensee of international TV rights of Serie A in liquidation.

For the details, please see the comments on the corresponding items of the Balance Sheet.

8.5. NET FINANCIAL EXPENSES

A breakdown of this item, which totalled EUR 12,243 thousand (EUR 6,637 thousand as at 30 June 2019), with an increase of EUR 5,606 thousand in the financial year, is provided below:

€ / 000	Fiscal year		Differences
	2019-2020	2018-2019	
<i>Financial income:</i>			
Financial income on loan to Soccer Sas	10.928	13.402	(2.474)
Financial income on loan to AS Roma	3.521	514	3.007
Total financial income	14.448	13.916	532
<i>Financial charges:</i>			
Interest and commissions Bond	(14.120)	-	(14.120)
Interest and commissions Facility Agreement	(1.665)	(16.246)	14.581
Transaction costs Facility Agreement	(10.668)	(3.763)	(6.905)
Banking, factoring and other charges	(160)	(6)	(154)
Accessory charges on loans and other charges	(78)	(538)	460
Total financial charges	(26.691)	(20.553)	(6.138)
Total net financial charges	(12.243)	(6.637)	(5.606)

Financial income, amounting to EUR 14,448 thousand (EUR 13,916 thousand as at 30 June 2019), relate to loans granted to Soccer and AS Roma which are regulated by specific intercompany loan agreements with the counterparty companies.

Financial expenses, amounting to EUR 26,691 thousand (EUR 20,553 thousand as at 30 June 2019), increased by EUR 6,138 thousand, primarily due to transaction costs of EUR 10,668 thousand incurred in previous financial years in connection with the signing of the Facility Agreement, and accounted for during the year following the early repayment as part of the Bond issuance in accordance with the international accounting standard IFRS 9.

In detail, financial charges refer to the following items:



- Interest and commissions accrued on the Bond for EUR 14,120 thousand not present in the previous year;
- Interest and commissions accrued on the Facility Agreement of EUR 12,333 thousand (EUR 20,009 thousand as at 30 June 2019) comprised of EUR 1,665 thousand in interest accrued in July and August 2019 prior to the early prepayment of the Facility Agreement and EUR 10,668 thousand relating to the above-mentioned transition expenses;
- Other financial expenses, totalling EUR 238 thousand, relate to ancillary charges on the Bond received and other financial expenses (EUR 544 thousand as at 30 June 2019 related to ancillary charges on the Facility Agreement repaid in August 2019 and other financial expenses);

8.6. TOTAL TAXES

During the financial year, current and deferred taxes were ascertained for EUR 4,608 thousand (EUR 5,614 thousand, as at 30 June 2019), decreased by EUR 1,006 thousand compared to the previous financial year, made up as follows:

€ / 000	For the fiscal year ended,		Differences
	2019-2020	2018-2019	
IRAP	(728)	(741)	13
IRES	(1.909)	(2.900)	991
Prepaid and deferred taxes	(1.971)	(1.971)	(0)
Other taxes	-	(2)	2
Total	(4.608)	(5.614)	1.006

IRAP: equal to EUR 728 thousand (EUR 741 thousand as at 30 June 2019), decreased by EUR 12 thousand, due to the lower taxable income generated in the current financial year;

IRES: equal to EUR 1,909 thousand (EUR 2,900 thousand as at 30 June 2019), decreased by EUR 986 thousand, due to the lower taxable income generated in the current financial year.

Prepaid and deferred taxes unchanged compared to the previous year, they amount to EUR 1,971 thousand and refer to the amortization of the trademarks, deducted off-balance sheet in compliance with the tax legislation in force, transferred from Soccer, as part of the broader and more comprehensive business unit transferred.

It should be noted, with reference to the tax period ended 30 June 2020, that the Company is excluded from the regulation of non-operating companies by express provision contained in Article 30 of Law No. 724 of 23 December 1994, as it is indirectly controlled by AS Roma, a company listed on the electronic stock market managed by Borsa Italiana S.p.A.

It should be noted that the Company, as from the financial year ended 30 June 2018, irrevocably renewed its membership for the period 30 June 2018 – 30 June 2020, as a subsidiary, in the presence of the prescribed requirements, together with the consolidating company NEEP Roma Holding S.p.A. and other companies controlled by the same, to the taxation regime as per Articles 117 et seq. of the T.U.I.R. [Italian Consolidated Law on Income Tax] (known as National Tax Consolidation Regime). It should be noted that the irrevocable option has a duration of three financial years and that no interruption occurred during the period of validity of the option.

The table below shows the temporary differences for IRES purposes that generated deferred tax assets and which could have generated prepaid taxes. In compliance with the principle of prudence provided by Article 2423 bis of the Italian Civil Code, no deferred tax assets have been recorded, as it is not

currently possible to foresee in which financial years all or part of the related deductible temporary differences will be cancelled and, consequently, if and when they would be absorbed by any taxable income or taxable temporary differences.

Below is an account of the temporary differences that have / would have generated prepaid and deferred taxes.

	30.06.2020		30.06.2019	
	Amount of temporary differences	Tax effect (24%)	Amount of temporary differences	Tax effect (24%)
Deferred taxes:				
- Extra-accounting trademark amortization	78.651	18.876	71.812	17.235
Virtual prepaid IRES taxes:				
- Bad debts	755	181	753	181
- Excess interest expense	5.792	1.390	-	-
TOTAL	6.547	1.571	753	181
Deferred tax assets recognized	-	-	-	-
Unrecognized prepaid taxes	-	1.571	-	181

In addition, deferred taxes related to I.R.A.P. were also calculated on brand amortisation, applying the 4.82% rate, for a total amount of EUR 330 thousand, unchanged from the previous year. Overall, at the closing date of the financial year, the deferred tax reserve I.R.A.P. related to the amortization of trademarks amounts to € 3,791 thousand for the financial year and EUR 3,461 thousand for the previous year.

Below is the reconciliation between the theoretical and actual tax burden:

Result before the taxes	9.008
Theoretical tax burden (24% rate)	2.162
Temporary differences taxable in subsequent	-
Total	-
Temporary differences generated during the year	-
Deductible / taxable in subsequent years:	-
Brand ammortization	(6.839)
Passive interests	5.792
Bad debts	2
Total	(1.045)
Reversal of temporary differences from previous	-
Total	-
Differences that will not reverse in	-
IRAP deduction from IRES	(73)
Other non-deductible negative components	74
Total	1
Taxable income	7.964
Income taxes	1.911

The reconciliation between ordinary and effective IRES (corporate income tax) rates is shown in the following table:



	30.06.2020
APPLICABLE ORDINARY RATE	24%
Effect of increases (decreases) with respect to the ordinary rate:	
Temporary deductible / taxable differences that will reverse in subsequent years	2,78%
Reversal of Temporary differences from previous years	0,00%
- differences that will not be reversed in subsequent years	0,00%
EFFECTIVE RATE	21,22%

Finally, the determination of the IRAP taxable income is shown in the following table:

	30.06.2020
Operating income	21.872
Brand amortization	(6.839)
Total	(15.033)
Theoretical tax burden (rate 4.82%)	1.054
Temporary differences deductible in subsequent years generated during the year:	-
Total	-
Reversal of temporary differences from previous years:	-
Total	-
Differences that will not reverse in subsequent years:	0
Brand amortization	74
Total	74
Taxable IRAP	15.107
	(13)
Current IRAP for the year	728

Finally, the reconciliation between ordinary and effective IRAP rates is shown in the following table:

- differences that will be reversed in subsequent years	-1,51%
- differences that will not be reversed in subsequent years	0,02%
EFFECTIVE RATE	3,33%

8.7. OTHER COMPONENTS OF THE COMPREHENSIVE OPERATING LOSS

During the financial year, there were no items that impacted only on Shareholders' Equity and not also on the income statement.

9. FINANCIAL RISKS MANAGEMENT

These Annual Financial Statements have been drafted, similarly to the previous ones as at 30 June 2019, based on IFRS 7 Standard, which requires additional information about the significance of financial instruments in terms of performance and financial indebtedness of an enterprise, level of exposure to risk arising from the use of the said financial instruments, as well as a description of the objectives, policies and the accounting procedures implemented by the management in order to manage these risks.

The main financial risks related to the ordinary course of business of A.S. Roma can be summarised as follows:

Liquidity risk

The ability to meet its ordinary cash requirements could be affected by the mechanism for channelling cash and cash equivalents provided for in the agreements signed under the Bond issued in 2019, which provide, more specifically, a potential constraint of use due to the mandatory mechanism for channelling cash receipts and uses of cash and cash equivalents to guarantee the exact fulfilment of the obligations undertaken, and therefore temporarily limit the use of cash and cash equivalents. Such channelling mechanism is defined through the assignment without recourse of receivables or through MediaCo being conferred mandate to collect all receivables assigned without recourse or as guarantee and therefore collect any payment made by, or on behalf of, AS Roma's and Soccer's debtors, concerning in particular the TV rights related to Serie A championship and European competitions, licensing and sponsorships activities, as well as the "direct media rights", whose activities are linked to the TV channel "Roma TV" and the radio channel "Roma Radio", as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, WeChat, Instagram, YouTube, Pinterest, Giphy, Weibo).

Under this mechanism contractually provided for, the use of the AS Roma Group's available cash may be temporarily restricted, with negative effects on the temporary cash flow of the cash and cash equivalence necessary to meet the immediate cash flow needs, so as to prevent payment of debts at due dates, which, in the specific case of payables towards football clubs for transferred players, and salaries, including taxes and tax withholdings, accrued vis-à-vis staff registered with the Company, can negatively affect the issuance of the National License, to register for Serie A Championship, and of the UEFA License, to register for European competitions.

Risk associated with contractual covenants

Some loan agreements include covenants, acceleration events, cross default clauses and undertakings whose breach or triggering could lead to termination of the agreement and mandatory prepayment, with significant negative effects on the Group's economic, financial and equity position, that might jeopardise its going concern status.

More specifically, until 8 August 2019, the Group was subject to compliance with covenants, calculated on a quarterly basis, acceleration events, cross default clauses and commitments whose violation or activation could lead to the termination of the agreement and the obligation early repayment, as part of the facility agreement signed on 12 February 2015 - between, inter alia, (i) Goldman Sachs International and Unicredit S.p.A., as Mandated Lead Arranger and Bookrunner, (ii) ASR Media and Sponsorship S.p.A., as borrower, (iii) AS Roma S.p.A., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (iv) Soccer Sas of Brand Management S.r.l., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (v) UniCredit Bank AG - Milan Branch as "Agent and Security Agent" (hereinafter, the "Facility Agreement"), as amended on 22 June 2017. More specifically, the Facility Agreement included covenants - usual for similar transactions, which were complied with for all quarters from 30 June 2015 until 30 June 2019. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term or mandatory early repayment.

On 8 August 2019, MediaCo closed its private offering to qualified institutional investors of non-convertible Senior Secured Bonds maturing on 1 August 2024 (the "Bonds"). The Bonds were issued for a total amount of EUR 275 million with a minimum denomination of EUR 100,000 and received BB- ratings from Standard & Poor's, then reduced, as part of the analyses carried out to take into account the effects of the spread of the Covid-19 virus on the AS Roma Group and the football sector in general, on 16 April 2020, to B+, placing it on CreditWatch with negative implications, and on 13 July 2020, to B, with a negative Outlook, removing it from CreditWatch. Interest accrues on the Bonds at a rate of 5.125% per annum to be paid half-yearly on 30 June and 31 December of each year. The Bonds are guaranteed by Soccer in accordance with the applicable legal provisions. The principal repayment of the Bonds will take place from 31 December 2020 on a half-yearly basis, until 30 June 2024, with a final instalment on 1 August 2024. The net proceeds from the issue of the Bonds, following the payment of the commissions

and expenses arising from the transaction, were used, inter alia, (i) to refinance the existing debt of MediaCo, through the full repayment of the outstanding loan under the facility agreement signed on 12 February 2015 (as amended from time to time); and (ii) to provide the Group with financial resources for its business activities.

The Bonds are secured by the following pledges and guarantees: (i) a pledge on the shares of MediaCo; (ii) a pledge on the shares of Soccer; (iii) a pledge on the current accounts of MediaCo; (iv) a pledge on the current accounts of Soccer; (v) a pledge on the current account of AS Roma called "UEFA Account"; (vi) an assignment as security by AS Roma of the receivables deriving from national and international television rights (so-called, "Indirect Media Rights"); (vii) a pledge of receivables arising from certain infra-group relationships; (viii) a pledge by Soccer and MediaCo of receivables arising from sponsorship and media rights agreements (direct and indirect); (ix) a pledge on MediaCo's intellectual property rights.

More specifically, among other things, the financial documentation relating to the issue of the Bonds provides for certain covenants - usual for similar transactions - including, but not limited to:

- **financial covenants:** there is a commitment by MediaCo to comply with certain parameters aimed at measuring its financial capacity to repay the Bonds and specifically: (A) Debt Service Coverage Ratio which, calculated on the basis of historical 12-month data, is recognised every six months starting on 30 June 2020; and (B) Pro Forma Debt Service Coverage Ratio which, calculated as the ratio between the expected cash flows for the following 12 months and the financial outlays relating to loan repayment and interest payments for the following 12 months, is recognised every six months starting on 30 June 2020. Both financial parameters must be not less than 1.5:1 and any breach constitutes an Event of Default within the meaning of the financial documentation, unless MediaCo restores - where possible - compliance with the aforesaid financial parameters within 30 working days from the date of notification to the Agent.
- **negative pledge:** there are restrictions for companies in the AS Roma Group: (i) to grant guarantees to third parties on its assets, except in the case of statutory guarantees linked to transactions in the ordinary course of business carried out by the companies; (ii) to assign, transfer or otherwise dispose of its assets towards third parties, excluding players' registration rights. There are also specific limitations with regard to the assumption of additional debt and the issue of guarantees.

The financial documentation of the Bonds also provides for a number of hypotheses constituting Events of Default - usual for similar transactions - which determine, among other things, the acceleration of the obligation to fully repay the Bonds, such as, by way of example and without limitation: (i) the failure to pay principal or interest due in relation to the Bonds unless it was due to technical and administrative errors and was made within the terms set forth in the documentation; (ii) the failure to comply with the financial covenants not remedied within the terms set forth above; (iii) the cross acceleration of the financial indebtedness of MediaCo, Soccer and its subsidiaries; (iv) the case of MediaCo's insolvency due to failure to pay its past due debts; and (v) the ineffectiveness or nullity or non-enforceability of the documentation guaranteeing the Bonds.

These contractual covenants were complied with for all periods ending until 30 June 2020. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term.

Finally, the financial documentation of the Bonds provides for certain hypotheses of mandatory repurchase of the Bonds/mandatory early repayment, among others (without limitation), in the following cases: (i) change in the ownership or control structure of, among others, the Company, Soccer and MediaCo, within the terms set out in the documentation of the Bonds; and (ii) relegation of the Company to the lower series of national sports competitions.

In this regard, it should be noted that, as a result of the change of control connected with the completion of the acquisition by Mr Thomas Dan Friedkin, through Romulus and Remus Investments LLC, a company controlled by the same, of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), completed on

17 August 2020 and, accordingly, the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment occurred on 24 September 2020 and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, AS Roma's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of AS Roma, the transaction was classified as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

Credit risk

The Company does not have a significant concentration of credit risk and has adopted appropriate procedures to minimize exposure to this risk. More specifically, the receivables from Italian football clubs are secured by guarantees, as required by the current football association regulations governing transfer campaigns so as to ensure that the clearing house provided by the Serie A League functions properly. The receivables from foreign football clubs are due from companies belonging to the European football associations affiliated to UEFA or non-European football associations affiliated to FIFA and, therefore, subject to the regulations issued by such international bodies that ensure that property rights, connected with their participation in international and national competitions, are protected in their respective countries of origin.

Receivables from proceeds generated by the licensing of audio-visual rights that have been marketed in a centralised manner by the Serie A League, starting from the 2010-2011 financial year, are not secured by guarantees. However, in light of the long-standing experience gained and high standing of the Issuers in question, significant insolvency risks are not foreseen. The remaining unsecured receivables, which are an insignificant part of the overall pool of Receivables, are monitored by the Company, which assesses the risks of collection by also specifically making provision in the Allowance for doubtful accounts.

In compliance with the new IFRS 9 standard, from 2018 the Parent Company writes down its receivables using the expected credit losses model (and not the incurred losses model used by IAS 39). Receivables from customers with inadequate ratings, even if they relate to items not yet due, are subject to provisions. These ratings are attributed on the basis of commercial information and the company's internal collection statistics and the related provisions are made on the basis of percentages of expected losses by rating classes that are modulated on the statistics of credit losses that have occurred in the last 2 years.

Interest rate risk

There is no interest rate risk for the Bond issued on 8 August 2019, as it is set at a fixed rate.

Exchange rate risk

The Company carries out almost all acquisitions and sales in Euro. Therefore, it is not subjected to significant exchange rate fluctuation risks.

Derivative financial instruments risk

In the 2019-2020 financial year under review and in previous financial years, the Company has not subscribed any hedging or trading derivative financial instruments.

10. SIGNIFICANT EVENTS AFTER 30 JUNE 2020

The following are the significant events that occurred after 30 June 2020:

GRANT OF CERTAIN WAIVERS AND SOME MODIFICATIONS TO BE MADE TO THE INDENTURE SIGNED ON 8 AUGUST 2019 BY ASR MEDIA AND SPONSORSHIP S.P.A.

As a result of the change of control connected with the completion of the acquisition by Mr Thomas Dan Friedkin, through a company of Romulus and Remus Investments LLC, controlled by the same, of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), completed on 17 August 2020 and, consequently, the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment occurred on 24 September 2020, and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, the Company's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of the Company, the transaction was classified as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

COMPLETION OF THE ACQUISITION OF THE MAJORITY SHAREHOLDING IN A.S. ROMA S.P.A.

On 17 August 2020, AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in AS Roma - and certain related assets and liabilities - to Romulus and Remus Investments LLC ("RRI"), a company incorporated under the laws of Delaware and designated by TFG for the purpose of the acquisition, of 544,468,535 ordinary shares of the Club, representing approximately 86.6% of the share capital, composed of a direct shareholding of 3.3% in the share capital of the Club and an indirect shareholding of 83.3% held through the company NEEP Roma Holding S.p.A. (the "Majority Shareholding"), together with certain additional assets, as indicated in the joint press release issued by the Parties on 7 August 2020 and available at www.asroma.com.

11. COMMITMENTS AND GUARANTEES

Equal to EUR 9,913 thousand related to deposits in current accounts to guarantee commitments undertaken as part of the Bond. For further information, see notes 7.3 "Non-current financial assets" and 7.9 "Short and medium/long-term financing".

It should also be noted that the Bond, subscribed on 8 August 2019, provides for a mandatory mechanism for channelling cash receipts and uses to guarantee the exact fulfilment of the obligations undertaken,



which may temporarily limit the use of cash and cash equivalents. Furthermore, in the bank accounts held in the name of MediaCo and Soccer, in addition to the so-called “UEFA account” held in the name of AS Roma, there is a potential restriction on use in relation to the commitments assumed under the Bond issued by MediaCo on 8 August 2019. It should be made clear that said restriction is triggered only upon certain default events occurring and can be enforced only up to the limit of the existing funds and the outstanding amount owed.

For further information, please refer to note 7.7 “Cash and cash equivalents”.

For details of the guarantees, please refer to the section “Risk associated with contractual covenants” in Note 9 “Financial Risks Management”.

* * *

INFORMATION ON ENTITIES EXERCISING MANAGEMENT AND COORDINATION ACTIVITIES

In accordance with Articles 2497-bis and 2497-ter of the Italian Civil Code, to provide the necessary information and disclosure on the entity that is able, directly or indirectly, to exercise management and coordination on A.S. Roma, the summary information is provided below, updated as at 30 June 2020.

It should be noted that ASR Media and Sponsorship S.p.A. is directly controlled by Soccer Sas di Brand Management Srl, which is 0.01% owned by Brand Management Srl, and 99.98% owned by AS Roma, which in turn are controlled by NEEP Roma Holding S.p.A., incorporated on 26 April 2011 (with tax code 11418561004).

The Management and coordination activity, pursuant to Articles 2497 and following of the Civil Code, was exercised until August 17, 2020 by AS Roma SPV LLC, a Delaware limited liability company incorporated on 27 January 2011 with registered office in 615 South Du Pont Highway, Dover, Delaware (USA). Below most recent available summary financials:

(Thousand US Dollars)	31.12.18	31.12.17
Assets		
A – Current assets-escrow cash account	9.837	1.958
B – Other assets – AS Roma Entities	256.335	151.675
C – Investment in Stadium	72.717	70.927
C - Other assets – Notes receivable	25.479	119.781
Total assets	364.368	344.341
Liabilities & Equity		
A – Equity:		
▪ Share capital – Members' Contributed Capital	315.034	294.637
▪ Retained earnings	(21.034)	(17.176)
▪ Net income	(6.710)	(3.907)
Total Equity	287.241	273.554
B - Liabilities:		
▪ Account payable	748	716
▪ Other current liabilities (interest, note payable)	76.379	70.071
Total current liabilities	77.127	70.787
Total Liabilities & Equity	364.368	344.341

It is recalled that Management and coordination activity, pursuant to Articles 2497 and following of the Civil Code is currently exercised by Romulus and Remus Investments LLC, a limited liability company by law US with registered office in Wilmington, Delaware, 1209 Orange Street and operational headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under no. 7868101 (company specifically designated by THE FRIEDKIN GROUP, INC., Hereinafter "RRI").

In particular, on August 17, 2020 AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly (through NEEP Roma Holding S.p.A., hereinafter "NEEP") in the A.S. Roma S.p.A. - and some related assets and liabilities - in favor of RRI, which therefore controls 100% of NEEP, with a stake equal to 83.284% of the majority stake in the capital of A.S. Roma S.p.A., and is the direct owner of 3.293% of the shares with voting rights of the same A.S. Roma S.p.A.

Romulus and Remus Investments LLC was incorporated on February 26, 2020 and has therefore not completed a financial year at the date of this Report and has not prepared any financial statements. Please find below a summary representation of the Romulus and Remus Investments LLC's balance sheet prepared as of 31 August 2020 and included in the Mandatory tender offer, pursuant to artts. 102, 106, par.1, and 109 of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented, on the ordinary shares of A.S. Roma S.p.A., which does not include the impact of Acquisition accounting or consider consolidation standards, which was not subject to any audit, and which was prepared solely for the purposes of inclusion into the Offer Document.

As shown by the chart below, the assets consist of the intercompany receivables and the participation acquired in the context of the EPA.

Romulus and Remus Investments LLC – Financials as of 31 August 2020	
Financial Statement line item	Euro
Intercompany receivables	110,357,319
Investments in Subsidiaries – NEEP Roma Holding S.p.A.	95,429,898
Investments in Subsidiaries – AS Roma S.p.A.	2,411,889
Investments in Subsidiaries – ASR Soccer LP S.r.l.	32,828
Investments in Subsidiaries – Retail TDV S.p.A.	45,865
Total Assets	208,277,888
Accrued Expenses	6,294,587
Total Liabilities	6,294,587
Total Capital (1)	218,940,681
Retaining Earnings	(16,957,380)
Net Worth	201,983,302

(1) On 1 September 2020 additional capital of Euro 13 million was contributed to Romulus and Remus Investments LLC

An income statement for the Offeror has not been included in the Offer Document as, since the date of its incorporation, the Offeror has not carried out any significant operating activities outside those relating to the Acquisition of the Majority Stake.

Romulus and Remus Investments LLC did not carry out any significant activities from the date of incorporation until the date of this report, apart from the purchase of the majority stake and AS Roma S.p.A. and certain other related activities referred to the sale agreement. Pursuant to art. 3 of its organizational act, Romulus and Remus Investments LLC may carry out any lawful activity and pursue any purpose permitted under the Delaware Limited Liability Company Act.

RRI is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital. Pursuant to art. 93 of the TUF, Mr. Thomas Dan Friedkin, through Romulus and Remus Holdings LLC, exercises control over the Group. Romulus and Remus Holdings LLC's financial statements are expected to be prepared in accordance with US GAAP, with no impact on consolidation principles; however, at the date of this report, this decision is still being evaluated by the competent corporate bodies.

* * *

These financial statements, consisting of the Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, Cash Flow Statement and the Explanatory Notes, present a true and fair view of the Company's financial position and operating results for the financial year ended 30 June 2020 and correspond to the accounting records.

Rome, 23 October 2020

Chief Executive Officer

Guido Fienga



AUDIT REPORT OF THE INDEPENDENT AUDITORS

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**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Shareholders of
ASR Media and Sponsorship S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ASR Media and Sponsorship S.p.A. ("Company"), which comprise the statement of financial position as of June 30, 2020, the comprehensive income statement, statement of changes in shareholders' equity and cash flow statement for the year then ended and the explanatory notes, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other aspects

In accordance with article 2497-bis, first comma, of Italian Civil Code, the Company has indicated that it was subject to management and coordination by AS Roma SPV LLC until August 17, 2020, and therefore has included the essential data of the last financial statements of AS Roma SPV LLC in the explanatory notes. Our opinion on financial statement of ASR Media and Sponsorship S.p.A. does not extend to such data.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and,

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560366 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560366

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within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14, paragraph 2 (e) of Legislative Decree 39/10

The Directors of ASR Media and Sponsorship S.p.A. are responsible for the preparation of the report on operations of ASR Media and Sponsorship S.p.A. as of June 30, 2020, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of ASR Media and Sponsorship S.p.A. as of June 30, 2020 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the report on operations is consistent with the financial statements of ASR Media and Sponsorship S.p.A. as of June 30, 2020 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Giovanni Cherubini
Partner

Rome, Italy
October 26, 2020

This report has been translated into the English language solely for the convenience of international readers.



LEGAL NOTICE AND CONTACTS

Legal notice

Name: ASR Media and Sponsorship S.p.A.
Share capital: EUR 200,000.00 fully paid up
Tax Code and Companies' Register No.: 13121631009
VAT No.: 13121631009
Economic Administrative Index No.: 1425662

Registered office:

Via Emilia, 47 – 00187 Rome

Administrative office

Viale Tolstoj, 2/6 - 00144 Rome

Name of the company exercising management and coordination activities:

Romulus and Remus Investments, LLC

Parent company country

United States of America

Certified Email

asrmediaandsponsorship@legalmail.it